DOCUMENT RESUME

ED 367 480 PS 022 124

TITLE	Hearings on H.R. 8: Child Nutrition Reauthorization. Hearings before the Subcommittee on Elementary, Secondary, and Vocational Education of the Committee on Education and Labor. House of Representatives, One Hundred Third Congress, First Session (February 23 and July 21, 1993).
INSTITUTION	Congress of the U.S., Washington, DC. House Subcommittee on Elementary, Secondary, and Vocational Education.
REPORT NO	ISBN-0-16-041769-4
PUB DATE	93
NOTE	153p.; Serial No. 103-28. Portions contain small print.
AVAILABLE FROM	U.S. Government Printing Office, Superintendent of Documents, Congressional Sales Office, Washington, DC 20402 (Stock No. 552-070-15508-2, $6).
PUB TYPE	Legal/Legislative/Regulatory Materials (090)
EDRS PRICE	MF01/PC07 Plus Postage.
DESCRIPTORS	*Child Welfare; Early Childhood Education; Elementary Secondary Education; *Federal Legislation; *Federal Programs; Food Service; Hearings; *Nutrition
IDENTIFIERS	Congress 103rd; Reauthorization Legislation; *School Lunch Program; *Special Supplemen Food Program Women Infants Child

ABSTRACT

Testimony concerning the reauthorization of the National School Lunch and Breakfast Programs and the Special Supplemental Food Programs for Women, Infants, and Children (WIC) is presented. Testimony includes statements by Representatives Dale E. Kildee, Donald M. Payne, and William F. Goodling, along with statements and responses to questions by: (1) Secretary of Agriculture Mike Espy; (2) Nancy H. Ford, Nutrition Education Specialist with Delaware's Summer Food Service Program; (3) Lisa Hamler-Podolski, of the Ohio Hunger Task Force; (4) Linda Locke, of Community Coordinated Child Care; (5) Robert A. Robinson, associate director of food and agricultural issues for the General Accounting Office; (6) Elizabeth M. McPherson, the president of the American School Food Service association; (7) Mary K. Kassler, president, National Association of WIC Directors; and (8) Charles Hughes, chair of the school advisory committee of the American Federation of State, County, and Municipal Employees (AFSCME), Local 372. A statement from the Society for Nutrition Education and the National Association of State NET (Nutrition Education and Training) Coordinators is also included. (MDM)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

PS

HEARINGS ON H.R. 8: CHILD NUTRITION REAUTHORIZATION

ED 367 480

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
X This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

HEARINGS

BEFORE THE

SUBCOMMITTEE ON ELEMENTARY, SECONDARY, AND VOCATIONAL EDUCATION

OF THE

COMMITTEE ON EDUCATION AND LABOR HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRD CONGRESS

FIRST SESSION

HEARINGS HELD IN WASHINGTON, DC, FEBRUARY 23 AND JULY 21, 1993

Serial No. 103-28

Printed for the use of the Committee on Education and Labor

U.S. GOVERNMENT PRINTING OFFICE
73-484 WASHINGTON : 1993

For sale by the U.S. Government Printing Office
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402
ISBN 0-16-041769-4

PS 022124

BEST COPY AVAILABLE

COMMITTEE ON EDUCATION AND LABOR

WILLIAM D. FORD, Michigan, *Chairman*

WILLIAM (BILL) CLAY, Missouri
GEORGE MILLER, California
AUSTIN J. MURPHY, Pennsylvania
DALE E. KILDEE, Michigan
PAT WILLIAMS, Montana
MATTHEW G. MARTINEZ, California
MAJOR R. OWENS, New York
THOMAS C. SAWYER, Ohio
DONALD M. PAYNE, New Jersey
JOLENE UNSOELD, Washington
PATSY T. MINK, Hawaii
ROBERT E. ANDREWS, New Jersey
JACK REED, Rhode Island
TIM ROEMER, Indiana
ELIOT L. ENGEL, New York
XAVIER BECERRA, California
ROBERT C. SCOTT, Virginia
GENE GREEN, Texas
LYNN C. WOOLSEY, California
CARLOS A. ROMERO-BARCELÓ, Puerto Rico
RON KLINK, Pennsylvania
KARAN ENGLISH, Arizona
TED STRICKLAND, Ohio
RON DE LUGO, Virgin Islands
ENI F. H. FALEOMAVAEGA, American Samoa
SCOTTY BAESLER, Kentucky
ROBERT A. UNDERWOOD, Guam

WILLIAM F. GOODLING, Pennsylvania
THOMAS E. PETRI, Wisconsin
MARGE ROUKEMA, New Jersey
STEVE GUNDERSON, Wisconsin
RICHARD K. ARMEY, Texas
HARRIS W. FAWELL, Illinois
PAUL B. HENRY, Michigan
CASS BALLENGER, North Carolina
SUSAN MOLINARI, New York
BILL BARRETT, Nebraska
JOHN A. BOEHNER, Ohio
RANDY "DUKE" CUNNINGHAM, California
PETER HOEKSTRA, Michigan
HOWARD P. "BUCK" McKEON, California
DAN MILLER, Florida

PATRICIA F. RISSLER, *Staff Director*
JAY EAGEN, *Minority Staff Director*

SUBCOMMITTEE ON ELEMENTARY, SECONDARY, AND VOCATIONAL EDUCATION

DALE E. KILDEE, Michigan, *Chairman*

GEORGE MILLER, California
THOMAS C. SAWYER, Ohio
MAJOR R. OWENS, New York
JOLENE UNSOELD, Washington
JACK REED, Rhode Island
TIM ROEMER, Indiana
PATSY T. MINK, Hawaii
ELIOT L. ENGEL, New York
XAVIER BECERRA, California
GENE GREEN, Texas
LYNN C. WOOLSEY, California
KARAN ENGLISH, Arizona
TED STRICKLAND, Ohio
DONALD M. PAYNE, New Jersey
CARLOS A. ROMERO-BARCELÓ, Puerto Rico

WILLIAM F. GOODLING, Pennsylvania
STEVE GUNDERSON, Wisconsin
HOWARD "BUCK" McKEON, California
THOMAS E. PETRI, Wisconsin
SUSAN MOLINARI, New York
RANDY "DUKE" CUNNINGHAM, California
DAN MILLER, Florida
MARGE ROUKEMA, New Jersey
JOHN A. BOEHNER, Ohio

CONTENTS

Page

Hearings:
- Washington, DC, February 23, 1993 1
- Washington, DC, July 21, 1993 73

Statement of:
- Espy, Hon. Mike, Secretary of United States Department of Agriculture, Washington, DC; accompanied by George Braley, Acting Administrator, United States Department of Agriculture, Washington, DC 4
- Ford, Nancy H., Specialist, Nutrition Education, Summer Food Service Program, Delaware Department of Public Instruction; Lisa Hamler-Podolski, Coordinator, Community Food and Nutrition Programs, Ohio Hunger Task Force; Linda Locke, Assistant Director, Community Coordinated Child Care; and Robert A. Robinson, Associate Director, Food and Agricultural Issues, Resources, Community and Economic Development Division, General Accounting Office, accompanied by Jim Fowler and Dale Wolden 76
- McPherson, Elizabeth M., President, American School Food Service Association, Alexandria, VA; Mary K. Kassler, President, National Association of WIC Directors, Washington, DC; Charles Hughes, President, AFSCME, Local 372, District Council 37, New York, NY 34

Prepared statements, letters, supplemental materials, et cetera:
- Espy, Hon. Mike, Secretary of United States Department of Agriculture, Washington, DC, prepared statement of 10
- Ford, Nancy H., Specialist, Nutrition Education, Summer Food Service Program, Delaware Department of Public Instruction, prepared statement of 80
- Goodling, Hon. William F., a Representative in Congress from the State of Pennsylvania, prepared statement of 74
- Hamler-Podolski, Lisa, Coordinator, Community Food and Nutrition Programs, Ohio Hunger Task Force, prepared statement of 89
- Hughes, Charles, President, AFSCME, Local 372, District Council 37, New York, NY, prepared statement of 62
- Kassler, Mary K., President, National Association of WIC Directors, Washington, DC, prepared statement of 53
- Locke, Linda, Assistant Director, Community Coordinated Child Care, prepared statement of 105
- McPherson, Elizabeth M., President, American School Food Service Association, Alexandria, VA, prepared statement of 38
- Payne, Hon. Donald M., a Representative in Congress from the State of New Jersey, prepared statements of
  - February 23, 1993 4
  - July 21, 1993 75
- Robinson, Robert A., Associate Director, Food and Agricultural Issues, Resources, Community and Economic Development Division, General Accounting Office, prepared statement of 131
- Society for Nutrition Education and The National Association of State N.E.T. Coordinators, prepared statement of 67

OVERSIGHT HEARING ON H.R. 8: CHILD NUTRITION PROGRAMS

TUESDAY, FEBRUARY 23, 1993

HOUSE OF REPRESENTATIVES
SUBCOMMITTEE ON ELEMENTARY, SECONDARY,
AND VOCATIONAL EDUCATION
COMMITTEE ON EDUCATION AND LABOR
Washington, DC.

The subcommittee met, pursuant to notice, at 10 a.m., Room 2175, Rayburn House Office Building, Honorable Dale E. Kildee, Chairman, presiding.

Members present: Representatives Kildee, Miller of California, Sawyer, Unsoeld, Reed, Roemer, Becerra, Green, Woolsey, English, Strickland, Romero-Barcelo, Ford, Goodling, Gunderson, McKeon, and Molinari.

Staff present: Susan Wilhelm, staff director; Dennis Fargas, budget analyst/professional staff member; Margaret Kajeckas, legislative associate; June Harris, legislative specialist; Lynn Selmser, professional staff member; and Jack Jennings, educational counsel.

Chairman KILDEE. The schoolteacher, not the politician, compels me to start on time. I want to welcome all the people here today for this hearing, especially those with the American School Food Services Association. You have been administrators, you have been just so helpful to this committee throughout the years, and we try to coincide our hearings with the opportunity that you have to be here in the city.

I will make some brief introductory remarks and then defer to Mr. Goodling, my good friend. Then the Secretary should be here momentarily, and he will be our first witness then.

The Subcommittee on Elementary, Secondary, and Vocational Education convenes this morning for an oversight hearing on several child nutrition programs under this subcommittee's jurisdiction. The subcommittee is in the midst of reauthorizing the Elementary and Secondary Education Act this session. Well, while we do that, it's appropriate to take some time to focus on the child nutrition programs, because good nutrition is vital to academic success.

Studies have shown that undernourished children are less physically active, less attentive, and less independent and curious. They are more anxious and cannot concentrate as well. As a result, their reading ability, their verbal skills, their motor skills suffer. It's obvious that if we are interested in school reform, we also have to make sure that our children are fed.

I taught school, as many of you know, for 10 years and personally observed in those 10 years the need for good nutrition. I always tell this story, and I'll abbreviate it a bit here, that before the school breakfast program was ever started at the Federal level, I started the school breakfast program at Flint Central High School in Flint, Michigan, for one student.

You've heard me tell this story probably many times, Bill. He has heard all my stories through the years.

But in my home room, every day someone's lunch was being stolen. I was raised in a family where stealing was a very, very serious sin and crime. I was determined to catch the culprit and laid a trap and finally caught the culprit. I was going to turn him in, of course, to the principal where he would have been suspended from school.

When I caught him, I found out—without going into detail—that in the morning his mother was in no condition to ever prepare him a breakfast. When he got to school in the morning, his first job was to try to find something to eat. He told me, he said, "Mr. Kildee, I never steal the same lunch from the same person in the same week."

[Laughter.]

Chairman KILDEE. I thought, well, that kid has ethics. That's good, you know. Rather than turning him in to the principal, I took him down to the cafeteria and spoke to Mrs. Pelky, who was in charge of the cafeteria, and I said, "Now, this young gentleman, Robert, will be coming down here every morning, and prepare something for him for breakfast and send me the bill." Well, for the next 3 years Robert got a breakfast, and I never got a bill. That was a one-person school breakfast program there at Flint Central High School.

This subcommittee has jurisdiction over the National School Lunch and Breakfast Programs, the Special Supplemental Food Programs for Women, Infants, and Children, "WIC." I was very happy to see the President's announcement on WIC during his State of the Union message. We have jurisdiction over Summer Food, the Child and Adult Care Food Program, and several other programs that help fight childhood hunger.

Several of these programs expire in 1994, so that reauthorization next year will give us a chance to review all of the child nutrition programs with an eye towards serving more children more effectively.

On the first day of this session, Mr. Goodling, Mr. Ford, and myself introduced H.R. 8, to reauthorize the expiring programs. This morning we will focus on the National School Lunch and Breakfast Programs and WIC. As we stated, we are all pleased with President Clinton's statement on WIC the other night. WIC is one of the most cost-effective Federal programs in existence, because it prevents the ill effects of developmental malnutrition from ever occurring. It prevents the loss of intellectual and physical capacity and even the loss of life.

We are quite pleased this morning to have Secretary Espy here, my former seatmate on the Budget Committee where he knew the budget process far better than I and shared his wisdom with me.

He is here this morning to discuss this proposal and some of the administration's other ideas concerning these critical programs.

This is the first time in recent history that a Secretary of Agriculture has appeared before the Education and Labor Committee. I think Jack, or John Block, appeared in 1981. I think he was here. And his deputy, Richard Ling, would testify from time to time.

We appreciate, Secretary Espy, your being with us here today.

Before I introduce our witness, I would like to call my very good friend and my colleague and one who has been a consistent and solid supporter of nutrition programs, Mr. Goodling, the ranking Republican member of the full committee and the ranking Republican member of this subcommittee, to make a statement.

Mr. Goodling?

Mr. GOODLING. Thank you, Mr. Chairman.

I don't know whether I have any stories to top this story or not. The ones I would tell, you would have heard also, I would imagine, before. The one I like to tell most of all is my first encounter with a Senate in conference on school lunch and child nutrition. At that time I had just come from being a school superintendent and was always upset that so much food was thrown away because we had to give them everything that was there whether they wanted it or whether they didn't. I thought, well, I will be brave enough and see whether I can't do something about that.

When we got to conference, the great Senator from Minnesota was there, but so were some others whose staff were telling them, "No, no, you can't change that. Everybody has to take everything that is served. If you don't, it will destroy their diet," et cetera, et cetera. I don't know how it destroyed their diet; they weren't eating it anyway.

But at any rate, I took a chance and I finally said, "That's stupid, in my estimation. If a youngster isn't going to eat red beets, why in the world are we putting them on their tray so they can dump them back in the trash?"

The good Senator Humphrey said, "I agree with that. Muriel insists I eat red beets. I hate red beets, and I'm not going to eat red beets, and kids shouldn't have to eat red beets."

[Laughter.]

Mr. GOODLING. It passed.

Chairman KILDEE. He picked the right one.

Mr. GOODLING. If I had said asparagus or spinach or something else, it probably wouldn't have worked, but somehow or other the Good Lord said, "Say red beets," and that's what I said.

Well, it's your twenty-first time here. I'm not quite here that long, but close, almost every time as I sat at the knees of our great Chairman Perkins and learned all about school lunch and child nutrition, followed by Chairman Hawkins, followed by Chairman Ford, and now working with the subcommittee Chairman, probably one of the finest members of Congress that we have. We belong to each other's mutual admiration society, so I thought I would throw that in.

I want to welcome all of you here. I particularly want to welcome the Secretary of Agriculture. Being a congressman is almost impossible. I would think trying to run a department as large as the Agriculture Department is an impossible task, but I know you will be

up to it. We will do what we can to help you rather than hinder you. I look forward to your testimony this morning.

Thank you, Mr. Chairman.

Chairman KILDEE. Thank you.

STATEMENT OF HON. DONALD M. PAYNE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

Mr. Chairman, let me commend you for calling this oversight hearing on child nutrition programs.

As we know, programs like the Supplemental Food Program for Women, Infants and Children [WIC], the School Lunch Program and related programs work. They improve the health and the nutritional status of the participants and they also save Federal medicaid costs.

Mr. Chairman we need to continue the trend of political and financial support for these programs that do work and strive to provide these services to all citizens that are eligible. I am so pleased that this administration has shown such great interest in helping the children and families of this Nation.

I would like to welcome all of the witnesses, and I especially welcome my former colleague and fellow Congressional Black Caucus member the Secretary of Agriculture, Mike Espy. I look forward to hearing your testimony.

Chairman KILDEE. I think we will go to the Secretary right now. So Mr. Secretary if you would step forward. I can't tell you enough how proud the House is to have one of its own members serving as Secretary of Agriculture. You certainly were an outstanding member of the House, and I know you will be an outstanding Secretary of Agriculture. We welcome you here this morning. You may proceed in any fashion you wish, Mr. Secretary.

STATEMENT OF THE HONORABLE MIKE ESPY, SECRETARY OF UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, DC, ACCOMPANIED BY GEORGE BRALEY, ACTING ADMINISTRATOR, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, DC

Mr. ESPY. Mr. Chairman, thank you for the opportunity of being here today. To Mr. Goodling, my friend, I also appreciate your being here.

The Chairman said that I sat next to him on the Budget Committee for about 6 years, and I got a chance to know him through that experience. I have to admit, though, Mr. Chairman, I am awfully glad that I am off that committee. It's a tough, tough assignment.

Here I come, it's my first appearance before this subcommittee, and Bill Goodling says that I have an impossible job and then he talks about red meat to someone who has been dealing with red meat over the last 3½ weeks.

I am honored to be here today, Mr. Chairman. I am here for a reason. The Agriculture Department is very large, as you know. We have about a $62 billion budget. If you would compare the asset value of our portfolio, it would compare favorably to Citibank and Bank of America. It is incredibly large.

As you know, we have many things that we do over there—international aid, international trade, farm programs, forestry—but principal among our jobs is our intent to maintain programs that keep children healthy and provide a nutritional diet. School lunch, school breakfast, and of course the WIC program are all vital, so vital to what we do every day. I do have a statement. I will try not to impose upon your time by reading it all. If you would, Mr.

Chairman, I would just like unanimous consent to enter the entire statement into the record.

Chairman KILDEE. Without objection, it shall be entered.

Mr. ESPY. As I said, Mr. Chairman, I'm honored to be responsible for the programs which provide food and nutrition education to millions of children and adults in our Nation daily. Programs such as the National School Lunch Program, the School Breakfast Program, and the WIC Program are all so very vital.

President Clinton in his Inaugural Address stated that there is nothing wrong with America that can't be cured by what is right with America. One part of what is right with our country is the dedication and vigor of people involved in providing nutrition to America's children; persons daily attacking the problems of hunger in this country. A hungry child can't learn. Each day in every school lunchroom in the United States, we change a life for the better and we invest in our Nation's future. Each person who has a hand in feeding children a nutritious meal should be commended, and there are many here today.

At this point also, Mr. Chairman, let me commend you for your leadership in feeding our children and making certain that hungry children get a chance to learn without having to worry if they will have a breakfast or an adequate lunch.

I would also like to commend Mr. Goodling for his long and untiring commitment to the Special Nutrition Programs. He and this entire committee have always treated these issues in a bipartisan fashion, and I will work with all of you in that same spirit. You have my pledge on that one.

In testifying today, at the outset, I would like to say that the administration is currently formulating the President's fiscal year 1994 Budget. OMB would like me to remind you that therefore I am not in the position to provide you with the administration's positions on funding for specific programs or activities, but I've had a peek at it.

Chairman KILDEE. In the past administrations, I always encouraged the Secretary to ignore OMB, but I won't make that statement this time.

Mr. ESPY. I can hardly do that. I made a speech last night, Mr. Chairman, where I said that I now know the difference between a Member of Congress and a Cabinet Member: a Member of Congress can pretty much say what he or she wants to say, and a Cabinet Member has always this ominous OMB. I might be the first Cabinet Secretary to protest for First Amendment freedoms for Cabinet secretaries. However, although I'm not in the position to be very specific about the fiscal year 1994 Budget, I can say that I've seen a peek at it with regard to our request for nutrition programs. I would believe, I could say in all honesty, that this is the first time in 12 years that we are going to be coming before you asking for an increase in programs for food and nutrition.

[Applause.]

Mr. ESPY. Mr. Chairman, recent statistics about the need for Federal food programs couldn't be more clear. In 1991, 35.7 million Americans lived in poverty. Unfortunately, a disproportionate number of the poor are children. One out of every five American children, 21.8 percent lived in poverty; a rate higher than any

other age group, including the elderly. Happily, one program that's working well to address the nutritional needs of children is the National School Lunch Program.

As committed as this government is, we still need to do more. In the National School Lunch Program, more than 92,000 schools and residential institutions participate. About half of the children get free or reduced price meals. The program is available to 98 percent of public schoolchildren and about 90 percent of all schoolchildren. The appropriation for the National School Lunch Program in fiscal year 1993 was about $4 billion, up from $3.6 billion in fiscal year 1992.

It is also important to note that the assistance provided by the National School Lunch Program is also available to those who have been adversely affected by this weak economy. Unfortunately, that number has been growing, and I'm proud that our lunch program is there and that we're in a position to help.

The breakfast program participation is about 4.9 million per day. In my opinion, this is not enough. Some recent efforts have been made to encourage school breakfast expansion. Grants totalling $23 million will enable more than 6,000 schools to join the program, serving to that point almost a million children. There is still, however, a wide gap between the number of breakfasts served and lunches served, with as many as 25 million lunches being served but only about 5 million breakfasts. The appropriation for fiscal year 1993 was $902 million, which was a big increase from the $722 million in fiscal year 1992.

The Child and Adult Care Food Program provides cash and commodity assistance to nonresidential child care and adult day care centers, and through sponsors, to family day care homes for children. Average daily participation for Child and Adult Care Centers in 1992 was about 1.7 million. The fiscal year 1993 appropriation for this program was $1.3 billion, up from $1.2 billion in fiscal year 1992.

We also have, as you know, Mr. Chairman, the Summer Food Service Program, which provides nutritious meals to children when school is not in session. It has also experienced a significant expansion in the last several years. This growth has been driven by outreach efforts encouraged by various organizations and changes in the law which reopened the program to private nonprofit sponsors. I support and I encourage these efforts toward outreach, and we will be doing more.

For many students, school meals make a significant contribution to their daily nutrient intake. An objective of the Healthy People 2000 initiative calls for increasing to at least 90 percent the proportion of school lunch, breakfast, and child care food services whose menus are consistent with the principles of the Dietary Guidelines for Americans.

In addition to these goals, the planning of meals must take into consideration children's food preferences and the cost of meal production. The Department recognizes that meals need to be presented in ways that make children eager to eat the school meal. There must also be a continuing awareness of the special dietary needs of these children with special requirements.

Mr. Chairman, this is a new day over at the USDA. We have already announced a certain mechanism to promote a partnership between USDA's new political leaders, its career employees, and the public it serves. The new partnership is dedicated to working together for massive, positive, and constructive change. I would like to hear all of the concerns and suggestions for change that will improve the services provided to those in need of our assistance.

I pledge my best efforts to work with all involved—whether it's in this committee, school food service workers, State directors, or individual parents—to improve these food programs that are already the envy of the world.

We are prepared to help in this effort, a response to S.R. 303 passed last session. We are examining the feasibility and the cost of a universal school lunch program, which I know is a topic of great interest to all of you today. Results from this study and other studies required by the 1990 Farm Bill will be released in October 1993.

Mr. Chairman, we would like to begin gathering comments and thoughts on proposals and preparations for next year's reauthorization. As you know, President Clinton has outlined the economic plan with full details to be incorporated into the 1994 Budget which will be released by mid-March. We do need your full participation to enable us to help make the decisions necessary to develop a legislative package that's best for our children.

I would like to discuss briefly change in school programs. We all know that change was a major theme in President Clinton's campaign, and it is certainly a major focus at USDA as we begin to streamline and modernize the Department. I will be speaking later today at an Appropriations Subcommittee hearing to talk in more detail about our streamlining opportunities.

However, I have been trying to find the gentleman in the basement who is paid about $54,000 to measure the flow rate of ketchup. I have been looking for him, but I never found him until last night. I understand that he was found by "Prime Time Live." We will be meeting today to see if we could explore other options for this gentleman, because we certainly have more things to do, Mr. Chairman.

There are four broad areas where I see a need for emphasis. They are: One-stop shopping in child nutrition programs, more work on paperwork reduction, outreach, and cementing ties with the fundamental agricultural community. I'll go over these very briefly.

One-stop shopping is a term, as you know, Mr. Chairman, often applied to the human resources area but which has meaning in the child nutrition arena as well. I understand that many States are using welfare office records to directly certify students as eligible for some of our feeding programs. Clearly, this results in less paperwork in the long run and, hopefully, will prove to be cost-effective. We need to speed up implementation of our one-stop shopping. We need to determine ways to have this work not only in urban areas, but in rural areas as well. We also need to examine if there are other programs that can be effectively added to the list, and we intend to undertake this task immediately.

Under paperwork reduction, we have a problem there. We thought that we could reduce it by facilitating the degree of computerization around the office. Yet, while we have more computers, today paperwork continues to be a tremendous issue.

During the last reauthorization of some of these programs, Congress made a number of changes which resulted in less paperwork. Such things as the direct certification of students for free school meals based on a match of school enrollment with food stamp or AFDC participation and multiyear and permanent program agreements have resulted in less paperwork.

I am sure that there are other ways to reduce it as we go forward with our goals towards streamlining, but these efforts must be balanced with the need to ensure accountability to the taxpaying public and ensure that children are receiving the nutritional benefits to which they are entitled.

Under outreach, everyone here knows that we need outreach. It is clear that there are more people who need the help than there are those presently receiving it. Outreach to those households would help fill that information void so that these children can eat lunch on a reduced price basis. Outreach could provide the access or demolish a barrier which would enable a program to reach a lost client. Outreach to its citizens is the essence of government, and at USDA we will begin the outreach process with our most vulnerable citizens, our neglected citizens: our children.

Lastly, from time to time, we all need to be reminded of our roots. One of the roots of today's National School Lunch Program is its agricultural base. Although significant sums go to the National School Lunch Program in cash reimbursements, there is still an additional 14 cents per meal in commodity entitlements, plus bonus commodities. We need to look into ways for those who provide the food and fiber, and those who serve that food on the school lunch line to work more closely.

We need to examine areas where cooperative efforts can yield more effective results. Our nutrition programs should not be adversaries to the agricultural community, but allies.

Mr. Chairman, if I can just stop to say that part of the challenge over at USDA is really to expand the client base. There are many of those who thought that we only care about farmers or producers or ranchers, and we do. I mean, they are a vital part of what we do over there. We have to emphasize that if you farm, you're involved in agriculture; but if you eat, you're involved in agriculture; if you produce fiber, you're involved in agriculture. If you wear clothing, you're involved in agriculture.

Everyone here, I daresay, is involved in agriculture, and we need to develop more of an appreciation of what we do at USDA, but USDA needs to know how to outreach to those just beyond the traditional farm community. That's why I'm here today to talk about these type of things and to tell everyone that we are placing an added emphasis on the entire client community.

Lastly, food safety. We have been dealing with this since my first hour on the job. The exact time, Mr. Chairman, that I was over at the White House raising my hand to become the 25th Secretary of Agriculture, there in Washington State, Ms. Unsoeld's State, unfortunately, we had some children eating tainted hamburgers. We had

to jump right on it and do the best that we could to try to get hold of that situation to ensure that we could do a better job of protecting the public and assuring a safe food supply, and admitting some error.

There are certain things that we can do a little bit better. We inspect meat in 1993 the same way that we did it in 1930. We have announced some short-term changes, we have announced some long-term goals. We are moving forward very rapidly on this very important area.

I would like to say that the safety of the food products that USDA donates and the products that local schools and other outlets buy must meet the highest safety standards so that no one's health is threatened. I recently made a number of recommendations for improving the monitoring of the Nation's meat supply. I certainly would like to know of any special concerns that you have, or those of you in the Food Service Programs have, so that we might have the best set of comprehensive recommendations available as we make changes in the inspection service. It is critical to us.

This is the so-called first "health threat" that we've had on President Clinton's watch, and I just want to say for him, it is a very, very high priority.

Lastly, the WIC Program. Mr. Chairman, you heard the State of the Union speech. Both in the short-term stimulus package and the long-term infrastructure development package, there was a heightened emphasis on the WIC Program. We would like to fully fund the WIC Program, and it will be fully funded. It is the most popular program, I think, among all on the nutrition menu, if you will. It provides supplemental foods, nutrition education, and health care referrals to low-income women, infants, and children who are found to be at nutritional risk.

One of the most important aspects of WIC is how it functions as an adjunct to health care. It's not simply a food program, but a gateway into the health care system and to improved health through nutrition education. The program also encourages pregnant women to breastfeed their infants. Last year, the WIC average monthly participation was 5.3 million. The fiscal year 1993 appropriation was almost $2.9 billion, up from the fiscal year 1992 appropriation of $2.6 billion.

As I've said, in his address before the joint session of Congress last week, our President stated, and I quote, "I recommend that the WIC nutrition program be expanded so that every expectant mother who needs the help will get it." I will certainly work with you to accomplish this goal. We are requesting a $75 million supplemental appropriation for WIC for this fiscal year to get the full funding process by fiscal year 1996 moving along.

I appreciate WIC's role in efforts to increase the rate of child immunization within our country. Expanded immunization is a top priority of our administration. We also believe that it is an incredible investment in a healthy future for our children.

As I said at my recent confirmation hearing, I am excited about heading an agency which does so much good for our country. Each weekday, 25 million children have a healthy lunch, infants receive

needed nourishment, and millions more benefit from the receipt of food stamps.

As the former chairman of the Domestic Hunger Task Force and of the Select Committee on Hunger, I know that hungry children don't just exist in Somalia. They exist in Mississippi, they exist in Michigan, they exist in Washington State. Hungry children are all around us. They are in rural America and also in urban America. Hungry children are just down the street.

We must be prepared to fight for our priorities within the budgetary resources that are available, and investment in our children is, indeed, a worthy project. Infrastructure in streets and sewers, but also infrastructure in our children.

Mr. Chairman, my door is open to you and those of you on this subcommittee and all of those of you in this room today. Together, we can revitalize the Agriculture Department and the nutrition programs that it administers. I thank you for allowing me to come today. I wanted to certainly show by my personal presence that, sure, we are involved in the Farm Program, but we are also involved in WIC and school lunch and school breakfast. We are going to heighten the emphasis on those programs within this USDA, because it is an incredibly important part of what we do every day. Thank you.

[Applause.]

[The prepared statement of Hon. Mike Espy follows:]

STATEMENT OF HON. MIKE ESPY, SECRETARY OF AGRICULTURE, DEPARTMENT OF AGRICULTURE, WASHINGTON, DC

Good morning, Mr. Chairman. I am honored to be here today and to see so many of my former colleagues and friends.

—I am honored to have been chosen by President Clinton to be the Secretary of Agriculture.

—I am honored to be responsible for the programs which provide food and nutrition education to millions of children and adults in our Nation daily, programs such as the National School Lunch Program [NSLP], the School Breakfast Program, and the Special Supplemental Food Program for Women, Infants and Children [WIC].

—I will be honored to work with this committee and other Members of Congress to improve these and other Federal nutrition programs—especially the programs serving children.

—Lastly, let me particularly say I am honored to be able today to recognize the many contributions of the dedicated workers who are daily on the front lines providing nourishment to our children.

President Clinton in his inaugural address stated that there is nothing wrong with America that can't be cured by what is right with America. One part of what is right with our country is the dedication and vigor of people involved in providing nutrition to America's children; persons daily attacking the problems of hunger in this country. A hungry child cannot learn. Each day in every school lunchroom in the United States, we change a life for the better and we invest in our Nation's future. Each person who has a hand in feeding children a nutritious meal should be commended.

At this point, Mr. Chairman, let me commend you for your leadership in feeding our children and making certain that hungry children get a chance to learn without having to worry if they will have a breakfast or lunch. I also want to commend Mr. Goodling for his long and untiring commitment to the Special Nutrition Programs. He, and this entire committee, have always treated these issues in a bipartisan fashion, and I will work with all of you in that same spirit.

In testifying today, I want to emphasize at the outset that the administration is currently formulating the President's fiscal year 1994 Budget. Accordingly, I am not in a position to provide you with the administration's position on funding for specific programs or activities. As soon as the President's fiscal year 1994 Budget is released, I would be pleased to provide you with the Department's view.

Need for Food Assistance

Recent statistics about the need for Federal food programs could not be more clear. In 1991, 35.7 million Americans [14.2 percent] lived in poverty. And, unfortunately, a disproportionate number of the poor are our children. One out of every five American children [21.8 percent] lived in poverty, a rate higher than any other age group, including the elderly. Happily, one program that is working well to address the nutritional needs of children is the National School Lunch Program. As committed as this government is, we still need to do more. In the National School Lunch Program, more than 92,000 schools and residential institutions participate. About half of the children get free or reduced price meals. The program is available to 98 percent of public schoolchildren, and about 90 percent of all schoolchildren. The appropriation for the National School Lunch Program in fiscal year 1993 was about $4 billion, up from $3.6 billion in fiscal year 1992. It is important to note that the assistance provided by the National School Lunch Program is available to those who have been adversely affected by the weak economy. Unfortunately, that number has been growing. I am proud that the National School Lunch Program is there and able to help.

The School Breakfast Program participation is about 4.9 million per day. This is not enough. Some recent efforts have been made to encourage School Breakfast expansion. Grants totalling $23 million will enable more than 6,000 schools to join the program, serving almost a million more children. There is still, however, a wide gap between the number of breakfasts served and lunches served, with as many as 25 million lunches being served, but only about 5 million breakfasts being served each schoolday. The appropriation for fiscal year 1993 was $902 million, a big increase from $722 million in fiscal year 1992.

The Child and Adult Care Food Program provides cash and commodity assistance to nonresidential child care and adult day care centers, and through sponsors, to family day care homes for children. This program is meeting the needs of our changing world, where working mothers are an ever-growing part of the workforce, and where an aging parent who needs supervised care can receive it. Average daily participation for Child and Adult Care Centers and Family Day Care Homes for September, 1992, was 1.7 million. The fiscal year 1993 appropriation for this program was $1.3 billion, up from $1.2 billion in fiscal year 1992.

SUMMER FOOD SERVICE PROGRAM

The Summer Food Service Program, which provides nutritious meals to children when school is not in session, has also experienced significant expansion in the last several years. This growth has been driven by outreach efforts encouraged by various organizations and changes in the law which reopened the program to private nonprofit sponsors. I support and encourage these efforts.

NUTRITIOUS MEALS

For many students, school meals make a significant contribution to their daily nutrient intake. An objective of the Healthy People 2000 initiative calls for increasing to at least 90 percent the proportion of school lunch, breakfast and child care food services whose menus are consistent with the principles of the Dietary Guidelines for Americans. The Dietary Guidelines message is clear for the Special Nutrition Programs. The programs should:

- Offer a variety of foods.
- Serve meals that help maintain a healthy body weight.
- Offer meals low in fat, saturated fat, and cholesterol.
- Serve plenty of vegetables, fruits and grain products.
- Offer and use sugars only in moderation.
- Offer and use salt and sodium only in moderation.
- Promote an alcohol- and drug-free lifestyle.

In addition to these goals, the planning of meals must take into consideration children's food preferences and the cost of meal production. The Department recognizes that meals need to be presented in ways that make children eager to eat the school meal. There must also be a continuing awareness of the special dietary needs of those children with special requirements.

TEAM USDA

Mr. Chairman, this is a new day and a new USDA. I recently announced TEAM USDA—a partnership between USDA's new political leaders, its career employees, and the public it serves. The new partnership is dedicated to working together for massive, constructive change. I invite all of you to join TEAM USDA. I want to hear

all concerns and suggestions for change that will improve the services provided to those in need of our assistance.

I pledge my best efforts to work with all involved, whether it is in this committee, school food service workers, State Directors, or individual parents, to improve these food programs that are already the envy of the world.

USDA is also prepared to help in this effort. In response to S. Res. 303 passed by the Senate last session, we are examining the feasibility and cost of a universal school lunch program, which, I know, is a topic of great interest to all gathered here today. Results from this study and other studies required by the 1990 Farm Bill will be released in October, 1993.

Mr. Chairman, I want to begin today to gather comments and thoughts on proposals in preparation for next year's reauthorization. As you know, President Clinton has outlined his economic plan with full details of the plan to be incorporated into the fiscal year 1994 Budget which will be released by mid-March. I need full participation by all to make the decisions necessary to develop a legislative package that is best for our children.

CHANGE IN SCHOOL PROGRAMS

Now, we all know that change was a major theme in the President's campaign, and it is a major focus at USDA as I begin to streamline and modernize the Department. I think change in the meal programs is inevitable as well. I foresee new and exciting things occurring that will increase student involvement, improve meal quality and simplify program management. I applaud these efforts and hope to encourage even more new and innovative ways to make an already excellent program even better.

There are four broad areas where I see a need for emphasis. They are:

- One-stop-shopping in child nutrition programs.
- More work on paperwork reduction.
- Outreach.
- Ties to the agricultural community.

ONE-STOP-SHOPPING

One-Stop-Shopping is a term often applied to the human resources area but which has meaning in the child nutrition arena as well. I understand that many States are using welfare office records to directly certify students as eligible for some of our feeding programs. Clearly, this results in less paperwork in the long run and will prove to be cost-effective. We need to speed up implementation. We need to determine ways to have this work not only in urban areas, but in rural areas as well. We also need to examine if there are other programs that can be effectively added to the list. I intend to undertake this task immediately.

PAPERWORK REDUCTION

Mr. Chairman, many thought the computer age would herald the "paperless office," yet while there are many more computers, today, paperwork continues to be an issue.

During the last reauthorization of these programs, Congress made a number of changes which resulted in less paperwork. Such things as the direct certification of students for free school meals based on a match of school enrollment with food stamp or AFDC participation and multiyear and permanent program agreements have resulted in less paperwork.

I am sure that there are other ways to reduce paperwork, and streamline the administrative requirements of our program, but these efforts must be balanced with the need to ensure accountability to the taxpaying public, and ensure that children are receiving the nutritional benefits to which they are entitled. For example, USDA promulgated the Coordinated Review Effort regulation that went a long way in reducing the paperwork burden on schools. We must make our programs "school food service worker" friendly.

OUTREACH

Mr. Chairman, we need outreach. It is clear that there are more people who need help than are receiving it. Outreach to those households would help fill that information void so that those children can eat lunch on a reduced price basis. Outreach could provide the access or demolish a barrier which would enable a program to reach a lost client. Outreach to its citizens is the essence of government, and at USDA, I will begin the outreach process with our most vulnerable citizens, our most neglected citizens, our children.

TIES WITH AGRICULTURAL COMMUNITY

From time to time, we all need to be reminded of our roots. One of the roots of today's National School Lunch Program is its agricultural base. Although significant sums go to the National School Lunch Program in cash reimbursements, there is still an additional 14 cents per meal in commodity entitlements, plus bonus commodities. We need to look into ways for those who provide the food and fiber, and those who serve that food on the school lunch line to work more closely. We need to examine areas where cooperative efforts can yield more effective results. Our nutrition programs should not be adversaries to the agricultural community, but allies.

FOOD SAFETY

Before concluding my discussion of school programs, let me say that the safety of the food products that USDA donates, and the products that local schools and other outlets buy must meet the highest safety standards so that no one's health is threatened. I have recently made a number of recommendations for improving the monitoring of the Nation's meat supply. I would like to know of any special concerns that those in the food programs might have so that we have the best set of comprehensive recommendations available as we make changes in the inspection service. The advice of this committee, Mr. Chairman, would be most helpful.

THE WIC PROGRAM

Finally, one of USDA's, and the President's, most popular programs is the WIC Program, which provides supplemental foods, nutrition education, and health-care referrals to low-income women, infants, and children who are found to be at nutritional risk. One of the most important aspects of WIC is how it functions as an adjunct to health care. It's not simply a food program, but a gateway into the health care system and to improve health through nutrition education. The program also encourages pregnant women to breastfeed their infants. Last year, WIC average monthly participation was 5.3 million. The fiscal year 1993 appropriation was almost $2.9 billion, up from the fiscal year 1992 appropriation of $2.6 billion.

In his address before the Joint Session of Congress last week, President Clinton stated, "I recommend that the WIC nutrition program be expanded so that every expectant mother who needs the help gets it." I will work with you to accomplish this goal. We are requesting a $75 million supplemental appropriation for WIC for this fiscal year to get the full funding process by fiscal year 1996 moving along.

I appreciate WIC's role in efforts to increase the rate of child immunization in the United States. Expanded immunization is a top priority of the Clinton administration—an important investment in a healthy future for our children.

Conclusion

Mr. Chairman, as I said at my recent Senate confirmation hearing, I am excited about heading an agency which does so much good for our country. Each weekday, 25 million children have a healthy lunch, infants receive needed nourishment, and millions more benefit from the receipt of food stamps. As the former chairman of the Domestic Hunger Task Force of the Select Committee on Hunger, I know that hungry children do not just exist in Somalia. Hungry children are in the Delta. Hungry children are in rural America. Hungry children are in urban America. Hungry children are just down the street.

Mr. Chairman, we must be prepared to fight for our priorities within the budgetary resources that are available, and investment in our children is indeed a worthy priority.

Mr. Chairman, my door is open to you, and those of you in this room today. Together, we can revitalize the Agriculture Department, and the nutrition programs it administers.

Mr. Chairman, that concludes my testimony, I would be happy to answer any questions you may have.

Chairman KILDEE. I thank you, Mr. Secretary. Thank you, Mr. Secretary, for your very good testimony.

The Chairman of the full committee, Bill Ford, has been a longtime mentor of myself in politics and public morality, and he is here this morning, so I am going to defer to Chairman Ford.

Mr. Ford?

Mr. FORD. Why, I thank you very much, Mr. Chairman.

I wanted to get over here. I am in between meetings, and I will have to steal Mr. Goodling from you in a short while. We are going

over to explain to the House Administration Committee the very austere way in which we are going to operate this committee for the next year with a reduced budget. I am particularly happy to have a chance to pop in here and see our colleague Mike Espy, now Secretary Espy.

I got to know you when you first came to Congress, and you taught me about something that I guess I had heard but never paid any attention to, that raising catfish was a very valuable part of agriculture in your part of the country.

In wearing my other hat, Mr. Chairman, as Chairman of the Post Office and Civil Service Committee, we passed a resolution to declare a "National Catfish Day."

Mr. ESPY. It's the truth.

Mr. FORD. I am still being teased about that in Michigan, Mr. Secretary, because they haven't got the word yet. I went to you and said, "You can't be serious," and you explained to me that it was a very important part of the agricultural income of your State and many other States as well. Just as recently as the Inauguration, I ran into some people from Mississippi who surprised me by remembering "National Catfish Day." They were up here for the Inauguration, and very proud of the fact that they told me you were the second person from Mississippi to be a member of a President's Cabinet in this century. Is that correct?

Mr. ESPY. That's correct. The former Secretary of Labor was from Jackson, Mississippi. Although he was never born there and not quite raised there, but we recognize him as being a Mississippian.

Mr. FORD. Well, they are sure proud of you down there, and we, who served with you in the House, are proud of you.

I would like to just make one comment. This subcommittee, under Mr. Kildee, is going to be perhaps the most worked subcommittee in this Congress. The administration has a very ambitious and very progressive set of programs, a good deal of which will come through here, and a good deal of the domestic initiatives that the President has talked about are going to come through Mr. Kildee's subcommittee.

All of the Members of this subcommittee should understand that we warned you—and we were guessing—that because of what the President said to us during the campaign and immediately after, that Mr. Kildee's subcommittee was going to be a hot spot in this Congress. It is turning out to be true. You are going to be very, very busy.

For that reason, I want to publicly commend you, Chairman Kildee, for getting started right away with the child nutrition part of your responsibility. You are going to have to do a reauthorization this year, but you have some overwhelming big programs that you are going to have to reauthorize and authorize that are probably going to get a lot more attention from the media as time goes by. By getting a start right now with child nutrition, you have signalled to everybody that under your chairmanship this subcommittee recognizes that that part of the President's initiatives is equally important with any other part.

There is a part about the child nutrition, Mr. Secretary, that used to puzzle me when I came to this committee 29 years ago, and

that was, how come when we went to a conference between the House and Senate on the school lunch program we met with the Agriculture Committee on the Senate side and the House Education and Labor Committee on this side. It prompted me to find out, where did this idea of the school lunch program come from and how did it get on the books.

I was pleasantly surprised to find out—and I wasn't nearly as cynical then as I am now and I'm not yet as cynical as I expect to be before I leave here—but like the GI Bill, which was not an education program at all but it was a veterans program, it was something that was moved into the law by people who had something quite different in mind than we have now.

In 1946, the people in nutrition and in medicine in this country started doing epidemiologic studies of the number of young Americans who were called by the draft and who were the schoolchildren during the Great Depression, but could not pass the basic physical to carry a rifle in the Infantry.

Many parts of the country where the Depression hit the hardest and the longest produced a whole generation of young American males who couldn't serve because during the important developmental years the Depression had robbed them of anything close to a decent diet.

It was thought—and if you go back to the debates, it's kind of interesting—that if we had to have another World War II, the country would be better off if we spent some time worrying about the nutrition of our children. The place that you were most likely to do something about that was when you had them in school.

It was from that kind of thinking that they began to use the schools to attack the problem of malnutrition among a segment of the American population that was not being thought of as needing nutrition during their formative years. We now know from all sorts of studies over the years that "hungry bellies" can't learn anything in schools and that they can't concentrate very much, and if they do concentrate, they lose what they hear very quickly.

I don't hear anymore, anywhere, from any segment of our population the argument that this is not a valid approach to making education dollars really mean something. I recommend to anyone who has never done it, to visit one of your schools and have a Type A lunch.

You will have to believe that the main reason kids eat lunch is because it's nutrition, because there is very little else about that lunch to commend it to them, except the day that they serve pizza. My schools all tell me that the kids like Type A the day that pizza is there. The work that our people in the schools have done to keep this program alive is remarkable.

Just a few years ago, the Gramm-Latta Budget was adopted, and it was our first exposure to a new phenomena called reconciliation. Mr. Perkins was the chairman of this committee. In the first year after the passage of that budget, we dropped 4 million kids out of the school lunch program in this country, and we have not caught up yet with that great loss.

We have a lot of running to do to get to where we would have been if we hadn't cut the program. We have got a lot of catching up to do for the mistakes we made in the early 1980s that set us

back. I know under your leadership, Mr. Chairman, and with the new Department of Agriculture over there, we are going to do a lot of catching up.

Secretary Espy, you don't have any idea how pleasant it is. Some people who have sat there with your title have been friends on a social basis, but they were not people I knew to be as committed to America's schoolchildren as you are. I feel much more comfortable after all of my years on this committee, knowing we are going to be working with you and people like you.

I am absolutely convinced that if the President were to slip a little bit on what he talked to us about during the campaign with regard to child nutrition and children's issues, he is going to sure hear about it before he gets to put his head on the pillow at night.

Mr. ESPY. Yes.

Mr. FORD. I am very confident that we are in good hands, and you are where the rubber meets the road on these issues. We may be able to actually see them treated with the respect that they are entitled to for the first time in a long, long time. I came here especially to be able to tell you that—and to tell you, Mr. Chairman, that I am very grateful that you are going to put this committee, the full committee, on the map with your subcommittee this year.

Mr. Goodling and I have been working for a long time in a pet kind of approach we have that may be timely with the cutbacks in subsidies for various products produced in agriculture. You are not going to be able to give the subsidized purchases to the schools the way you were before.

I am sure Mr. Goodling will get into this with you. With some risk of harming both him and me in the eyes of our partisan colleagues, I want to tell you that when he speaks about this issue, he has been speaking with me and for me for a good many years, and I hope you will give what he has to say—and I trust he is going to bring it up—your attention. I think we can work together and improve these programs without new money necessarily being thrown into them as the only way to improve them.

Thank you very much, Mr. Secretary and Mr. Chairman.

Chairman KILDEE. Thank you very much.

Mr. Goodling?

Mr. GOODLING. I was thinking you were going next, and I wasn't quite ready.

First of all, if the Secretary and you are glad to be off the Budget Committee, what do you think about this poor minority person, sitting there for 6 years trying to figure out what was my purpose for being there? I never saw the budget until the day that you wanted us to vote on it, and it never amounted to anything anyway so—but we did do some good things.

Mr. ESPY. That's a blessing, though. Don't look at that as a problem.

Mr. GOODLING. We did do some good things because we forced them on the school lunch and child nutrition issues, and we forced them on some of the other programs that were near and dear to us in getting commitments for special education, et cetera, that probably we wouldn't have gotten otherwise because there were more of us representing this committee than representing any other committee.

I am glad that you are not up here representing OMB, telling us that we have to get the paying customer to pay more. I fought that for so many years that finally the last 3 years, my administration never brought that issue up anymore. They finally realized they had lost. As I have always tried to tell everyone, we do not subsidize the paying customer, we subsidize the program to keep it going, to make sure that free and reduced price meals are available for all youngsters.

One question, Mr. Secretary. At the end of last year, we had some ongoing dialogue, and I think we were making some progress. My question would be: Would you support some additional discussions to further refine the coordinated review effort to reduce the administrative burden at the school level? I think if we can do that and we can ever accomplish that, all of these folks sitting out here will say, "Amen, thank you," et cetera, et cetera, et cetera.

[Applause.]

Mr. ESPY. The answer is, yes, in a word. We are interested in providing programs with great accountability and programs that reduce the paperwork component and the burden on the users. The CRE Program is something that has been beneficial, and we will continue that.

By the way, let me introduce Mr. George Braley. I've been over there 3½ weeks, and Mr. Braley has been providing the interim service there as the acting administrator for the division. I have asked him to join me in anticipation of any questions that might be asked.

Mr. GOODLING. Good to have you back.

Mr. BRALEY. Thank you, sir.

Mr. GOODLING. My Chairman, apparently, set me up for this one, the full committee Chairman. You just heard that applause, you won't hear an applause when I say the next thing that he put me up to. Although it's changing, so maybe you will hear some. Where did the hamburger come from that was tainted and everybody got sick?

Mr. ESPY. Well, Mr. Goodling, it came from a very popular fast-food restaurant throughout California, Washington State, and Oregon. That meat was purchased from a federally-certified meat processing plant. Of course, tracing it back, it came from a particular lot of cows. We were fast on the track to find out which particular lot from which particular farm, and we are not quite there yet. We have at least identified the middle process from the processing plant to the distributor, to the fast-food outlet.

The great thing about this tragedy—and it is a tragedy, we have had three children to have died so far—is that this particular certified warehouse kept very good records so we could identify the meat by lot and retrieve from the distribution system every other retailer and wholesaler that had purchased the meat from this lot. At least to our knowledge, we have been able to identify the end point, and we have done that.

Mr. GOODLING. That was a sneaky question because, as I said, the Chairman of the full committee set me up. I was just going to say if the school food service people had bought that from their local butcher, they wouldn't have had that problem. You will get the significance of that after Chairman Ford talks to you later.

Mr. ESPY. I understand. I would like to think that the school food service people also recognize proper cooking temperatures.

[Applause.]

Mr. ESPY. Had that happened, we would not have had a problem in the first place.

Mr. GOODLING. That is exactly what they would have done had they had to buy it locally and prepare it themselves and not depend on someone else.

I have no other questions, but just wish you well. We are here to do whatever we can to help, and I look forward to our working together on what I think are probably the most important programs, which are the School Lunch and Child Nutrition Programs.

Mr. ESPY. Thank you. Thank you, sir.

Chairman KILDEE. Mrs. Unsoeld?

Mrs. UNSOELD. Thank you, Mr. Chairman.

Thank you, Mr. Secretary, for your concern and the effort you have put in on the problem that we have had on the West Coast with that.

Mr. ESPY. Yes.

Mrs. UNSOELD. Your tender care has been very, very much appreciated out there.

Mr. ESPY. Thank you.

Mrs. UNSOELD. I also look forward to working with you on a whole variety of issues related to your new job, all the way from meat inspection to solving the Spotted Owl issue this year.

Mr. ESPY. I sure hope so.

Mrs. UNSOELD. Yes. I am looking forward to working with you. Thanks.

Mr. ESPY. Thank you.

Chairman KILDEE. Mr. Gunderson?

Mr. GUNDERSON. Thank you very much, Mr. Chairman. It's hard not to call you Mike. I'll call you Mr. Secretary when I'm mad at you, how's that? Until then, you can be my friend.

Mr. ESPY. Mike sounds better.

Mr. GUNDERSON. Okay. Mike, do you anticipate any additional funding in your March budget numbers beyond the $56 million in child care feeding?

Mr. ESPY. Well, again, other than knowing that there have been aggregate increases the range of all food and nutrition programs, I could not specify, Steve, any increase to any specific program.

Mr. GUNDERSON. Okay. You include in the budget document released last week $23 million in TFAP. The reason I bring that up in this context is because every school lunch administrator in my district has hounded me for the last few years about the significant reduction in commodities. I am a little surprised with a $23 million increase in TFAP—I'm not against the concepts here—I don't know where you got the commodities to give for $23 million. Can you give all of us in this room some insight on the commodities that you anticipate are going to be available, whether it be for school lunch or TFAP or any of these nutrition distribution programs?

Mr. ESPY. Yes. George?

Mr. BRALEY. Congressman Gunderson, the TFAP increase would be purchased off of the open market, just as the entitlement commodities for school lunch are purchased off the open market.

Where we have seen a decline in recent years is in the availability of bonus commodities like the dairy products that we had in surplus a number of years ago.

The increase for TFAP that was part of the stimulus package was to help tide the program over in the fall when we have a requirement to purchase and distribute foods by the end of the fiscal year. When we get a new appropriation, there is a time lag and often foods aren't available in December and November; this will give us some resources to go ahead and make advance purchases so we have a continuous flow of commodities through the fall.

Mr. GUNDERSON. It is simply going to be purchasing additional things out in the private sector?

Mr. BRALEY. In essence, yes, sir.

Mr. GUNDERSON. You indicated in your report, or your testimony, Mike that your universal school lunch study won't be released until October of this year. That really gets us, obviously as you well know, into fiscal year 1994 before you release the study, which means that even if we wait for your study and we do anything, that means before fiscal year 1995 there is no potential of moving in that particular direction. I don't know when we intend to do the school lunch reauthorization, per se. Is there any chance of accelerating that date, or no?

Mr. ESPY. Steve, we hope that even though the final report won't be due until October, we will know well before that time of the trends. I am personally willing to come here or to invite you up to discuss the trends, and so perhaps we can get ahead of the final report and lock in the solutions that we know will be reported in October.

Mr. GUNDERSON. Can we anticipate a comprehensive proposal from the Department or the administration on child nutrition programs, that you will deliver to us your recommendation for reauthorization and revision and reform; is that likely?

Mr. ESPY. That's the way I would like to do it. Again, I've got to turn to George. I've been there 3 weeks.

What do you think?

Mr. BRALEY. Mr. Secretary, I think it's part of the President's budget proposals and so on, and there will be proposals for child nutrition, but then there will be a dialogue as usually occurs among the interested constituencies, the committee and its staff, and the like. Whether there will be a comprehensive administration proposal on reauthorization, I don't know at this point, sir.

Mr. GUNDERSON. Okay. Can you give me an indication of the cost of the 160 new meat inspectors that are a part of this proposal?

Mr. ESPY. About $4 million, roughly.

Mr. GUNDERSON. About $4 million. I suppose this is the harshest question I'm asking here: You've clearly said, and I think properly so, that the problem with Jack in the Box was the production of the—or processing of the meat, preparation of the meat, not the inspection. Recognizing that, wouldn't we be better served to spend that $4 million perhaps, frankly, on increased nutrition in other areas rather than the PR of 160 inspectors that we don't really need?

Mr. ESPY. No. I can appreciate the question, but it's far more than just a PR deal. I met with whistleblowers as well. These gen-

tlemen on the line every day, reviewing carcasses that sometimes are moving down the line at much too rapid a rate. I have talked with them, I have talked to industry reps and consumer reps, and I am satisfied that $4 million here to hire additional meat inspectors is a great investment for this reason.

You can blame whomever, but the situation is that we have about 550 vacancies in the meat inspection at our federally-certified meat plants. These vacancies occurred in the last 12 years, Steve, along with what they call an SIS, a "streamlined inspection system," which is meant totally to move that meat down the process line as quickly as possible, which of course enhances productivity and profits to certain meat companies.

I believe, to a certain degree, that the public's interest has not been served thereby. Now we have come to a point where we have reduced the streamlined inspection system, but there are many other problems which can be detected visually that still, even though the line speed has been reduced, we don't have enough labor. We don't have enough manpower at the point of visual contact. That's why I believe we need at least 160, and possibly even more.

We know that that still will not remedy the ultimate problem. If you are trying to get at food-borne pathogens, if you are trying to detect germs, we know that germs aren't visual. We base our meat inspection on an organoleptic system. We have to also ensure the public that at least we can see everything that can be seen.

Since my discussion with these whistleblowers, I know that we don't. At least when it comes to—and I don't want to be very specific—but exterior feces, when it comes to lumps and things that can be felt, there must be time to slow down the line, enough manpower to feel for damaged carcasses. I don't believe at this point that we have it.

I encourage this increased investment in 160 new meat inspectors at these federally-certified plants as something we can do right away that will aid our quest for increased food safety, but will also assure the public that we are doing everything that can be done.

There are many other things that we can do. We are talking about acid washes, so at least we can wash the outside of the carcass so at least we can eliminate the germs on the outside to the best degree possible. We can require care and warning and harm labels to aid the public in preparing food. We can certify or encourage or mandate these Federal plants to keep better records. Again, I remind you that the great part in all of this is that we were able to discover that this particular plant kept very good records.

Then, lastly, we have a long-term process where we met with experts and scientists from recognized universities, who tell me, Steve, that we can reduce the problem to a point where we can possibly screen cows and cattle for disease before they are slaughtered. That's the ultimate solution to me: one, making sure that meat and meat products are cooked at adequate temperatures on the consumer side; but on the producer side, that they will never be purchased if there is any sense of a disease. We are not quite there yet, but I would say we are within one year of getting to that point.

Mr. GUNDERSON. That's an Agriculture Committee issue, so I didn't want to elaborate it here.

Mr. ESPY. Yes.

Mr. GUNDERSON. We may want to spend that money on technology advancement in meat inspection. We will focus on that elsewhere. I'm out of time. Thank you.

Mr. ESPY. Yes. But in the meantime, we should do everything that can be done. Hiring these 160 new meat inspectors is something that we can do.

Chairman KILDEE. The gentleman's time has expired. The Chair would like to give you a commendation for bringing Mr. Braley with you. This committee has worked with George Braley for a number of years and has always been benefitted by his wisdom and knowledge in this field.

Mr. Green?

Mr. GREEN. Thank you, Mr. Chairman.

Secretary Espy, I haven't served with you because I'm one of the new freshmen on the committee, but I was involved with the school breakfast program as a legislator in Texas. I've never seen the National numbers until, you know, just recently on the availability of the school lunch program and the shortfall, it seems like that you mentioned in your testimony, concerning the breakfast program. I know you make some suggestions on granting grants that would enable 6,000 more schools to join the school breakfast program.

I know in Texas, back 7 or 8 years ago, there was the hesitancy from some school administrators, at least even in an urban area where I represent in Houston, to the school breakfast program. That has dissipated and that is no longer there. Is there still some hesitancy from school administrators on the breakfast program, in rural areas or other parts of the country, or is it just a function of money?

Mr. ESPY. I don't know of any hesitancy. Again, I don't have any experience as Secretary to draw from, to be honest. As a Member of Congress from a rural area, from a very poor area as well, I never saw anything but the greatest sense from the users to encourage participation in school breakfast. The resources have always been the problem.

Do you know of any?

Mr. BRALEY. There have been. I think as you indicated, Congressman Green, some of those barriers have been broken down by education and outreach efforts by our State cooperators in local school districts, as well as some advocacy groups. I think there probably are some school districts out there that are still reluctant to start a breakfast program, and so there is still quite a bit of work to be done.

Mr. GREEN. Is it the $23 million, the grants, will that be in the request to expand that to——

Mr. BRALEY. That's money that, since the last reauthorization, we have been giving grants to States to help local school districts begin breakfast programs. We will be awarding the final year of those grants, leading up to the next reauthorization, this year. There will be $5 million in additional grants. That has been a big factor in educating local school boards and similar organizations about the benefits of the breakfast program and actually helping schools with start-up costs to get going. That has been a big factor in this recent increase in the breakfast program.

Mr. GREEN. I think—and particularly since you are before the Education Committee—and as our Chairman said, it is hard to teach a child who is hungry when they come to school and during the day, if they don't have the breakfast program or the lunch program, but also I know we are going to look at also providing additional health services. You can't teach a child if they are hurting or if there is a problem that they have.

Thank you, Mr. Secretary.

Mr. ESPY. Thank you.

Chairman KILDEE. Ms. Molinari.

Ms. MOLINARI. Thank you, Mr. Chairman.

I want to welcome our friend. It makes us very proud to see you sitting over there, and I join with the accolades brought on from both sides to say that we feel very secure in the future of the common interests with the you sitting at the helm as Secretary.

I also want to just acknowledge, if I may, Mr. Chairman, because I have another hearing and I will not be able to be here when he testifies, but I want to welcome and thank Charlie Hughes, who is president of Local 372 and brings with him also the tremendous respect of Democrats and Republicans from New York City.

Thank you for coming here, Charlie.

Mike, I just have one quick question that is somewhat related to the food program, but it is that which takes place a little earlier than when the children get to school, and you made reference to it in your testimony.

Mr. ESPY. Yes.

Ms. MOLINARI. Last year, we passed a breastfeeding bill that encouraged the Department of Agriculture to go out and solicit private funds to embark on a nationwide educational program so that lower-income women would start to realize the benefits, and then therefore engage in increased breastfeeding activity. I don't know if you are aware or if you can fill me in, or maybe Mr. Braley can, as to any advancement the Department has made in that direction?

Mr. ESPY. Yes. Susan, we talked about this, this morning. I want to also commend you for sponsoring this legislation. We think that it is an integral part of what we do there in the food and nutrition programs, and significant planning is well on the way to expand the breastfeeding program.

The planning has been undertaken jointly with the Department of Health and Human Services, as well as many other health professionals around the country. The next step will be to secure private sector support for the campaign, and this will begin as soon as we have filled some of the other Department positions we have over at USDA.

Ms. MOLINARI. Okay. Thank you. I appreciate that.

Mr. ESPY. Thank you.

Chairman KILDEE. Ms. English?

Ms. ENGLISH. I just want you to know, it's a pleasure to have you here this morning as our new Secretary of Agriculture. I don't have any questions right now, but I am looking forward to working with you and the President's office on this issue. I am really encouraged by the leadership of the new administration in the area of nutrition and preventive health issues.

Thank you very much for being here.

Mr. ESPY. Thank you, thank you.

Chairman KILDEE. All right. Mr. Romero-Barcelo?

Mr. ROMERO-BARCELO. It's a pleasure to have you with us.

Mr. ESPY. Thank you.

Mr. ROMERO-BARCELO. I am happy to see also that you are from Mississippi, the poorest State in the Union, and that has great similarities with Puerto Rico.

Mr. ESPY. Yes.

Mr. ROMERO-BARCELO. I know and feel confident that you probably understand many of our farm problems in Puerto Rico. I wanted just to congratulate you and say how happy we are that the President has made such an emphasis on children during his administration. I don't remember ever having heard a President so early in his administration bring forward so much, as the President has been, respecting children, and this is very encouraging. Anybody who loves my children, I love them, so I am sure that America feels the same way about the President at this moment.

One of the things I would like to mention is how important the WIC Program is, particularly in poor areas. I remember when I went to school, if you were 5'10" or 5'11", you were tall in Puerto Rico. Now it is not uncommon to see students who are 6'2", 6'3"; and the basketball team, it's 6'7" or 6'8".

Mr. ESPY. Yes.

Mr. ROMERO-BARCELO. That is basically because of the school program, the lunch and the breakfast program. I think it has definitely had an impact on the health of the people at home. Anything that we see increasing in this program, we see it as a great opportunity. Please, I want you to know that I will be working on everything I can do. I don't have a vote on the floor, but at least now we have one in the committee of the whole.

I want to ask one question: How much increase in the WIC Program is to be expected across the Nation, and what percentage increase? Will that be distributed evenly throughout the Nation, or will it depend on how aggressive the local governments are in putting forth their programs?

Mr. ESPY. That's a good question. We talked earlier about our service on the Budget Committee. I served there with Mr. Goodling and Mr. Kildee for a number of years, and we sat through many, many hearings over many, many months over a period of 6 years. The committee meeting that impressed me the most, frankly, was a committee meeting that took place when we got to that part of the budget where we talked about education and human infrastructure.

We had as witnesses five CEOs of major American companies, all gathered at the witness table, all there to support an increase in the WIC Program. I thought, this is an incredible testimony. They all talked about things really that we already knew, but the fact that they were saying it made it very unusual to me and very positive.

They said that, as CEOs, they recognized that they had an investment in the future and that an investment in the WIC Program of $1 would allow for $3 in savings later on in the life of that child in prevention of health care costs. We talked about the head circumference size increasing merely as of being the recipient of WIC over

a period of months, and you talk about the stature increase in children in Puerto Rico.

Well, we think it is just an incredibly good investment, and everyone realizes that. I think there will be a $75 million supplemental appropriation for the WIC Program. I'm not exactly sure how that will be distributed. Maybe George would know.

A $75 million supplemental appropriation request going toward full funding by 1996, could you elaborate?

Mr. BRALEY. Yes. There is a regulatory funding formula that would be the starting point for distributing that so that jurisdictions that haven't had an opportunity to grow as fast as some others get the first opportunity for that money. It is possible that some of them may not be able to use the full amount, in which case, other States would be allowed to participate. Some of the details of the allocation are still to be worked out as part of the supplemental appropriation.

Mr. ROMERO-BARCELO. Thank you very much. That's all.

Mr. ESPY. Thank you.

Chairman KILDEE. The Chair reluctantly has to make an announcement. The Capitol Police have contacted us, and I am very gratified at the turnout here, but they would like to keep the aisles cleared, and they are really enforcing that now in all the committees. If you could clear the aisles. I will have someone at the door to admit you as a space develops here. If you would clear the aisle, and then close the door. That is at the request of the Capitol Police. Being a lawmaker, I don't want to be a lawbreaker here, so I have to enforce that. I really appreciate your presence very much, very sincerely.

Let's see. Mr. Strickland?

Mr. STRICKLAND. Thank you, Mr. Chairman.

Mr. Secretary, I have a question that I would like to ask about the WIC Program. Before I do that, as I was sitting here listening to your comments about hiring the new meat inspectors and references to feces and damaged carcasses, I just wanted to ask you, are you confident that at this point in time the meat supply is safe and that we can be confident in that fact?

Mr. ESPY. Yes, sir, I am. Our meat supply is the safest in the world, bar none, but one must admit that certain improvements could be made. Our meat inspection system is based on the visual detection: things you can see, smell, taste, and feel. Now, that takes care of a lot of the problem. However, when you get into a situation such as we experienced with this outbreak of this virulent strain of E. coli bacteria, we realize that we are at a severe disadvantage because you just simply can't see these pathogens. They exist in warm-blooded animals, so therefore they exist in red meat. You can't see germs. We need, therefore, to move to a point where we could improve our inspection system to be based on sound science, and we are transitioning toward that.

Once we get to that—before we get to that point, there are certain things that we must do to assure the public that we can make the situation even more safe, if you will. We are doing that by hiring more meat inspectors at federally-certified plants where we know that we have had a reduction in workforce over the last 12 years; we know that. We know that we have 550 vacancies, and

that's where we intend to put these new 160 after they have been trained. We know that if you cook meat to a certain temperature, you will take care of this problem.

We have never said it as USDA, so we need to do a better job of encouraging and even mandating warning labels and care labels and instructions to the retailing and the consuming public, and we will do that. We need to mandate better recordkeeping at these plants.

A short answer to your question is, yes, everything is relative. Yes, we have the safest food supply in the world. It is very safe, and no American really need have any anxiety about eating a hamburger, if it is cooked properly.

Mr. STRICKLAND. I appreciated what the President said the other night about not assigning blame or going beyond blame, but a question that comes to my mind: Are these 500-and-some vacancies existing because people with appropriate skills are not available to fill them, or were they not filled for some other less responsible reason?

Mr. ESPY. Again, a very good question. I, like the President, wish not to assign blame, but it is all a result of resource and lack of priorities towards certain areas. I wasn't here when we voted on Gramm-Rudman. However, if I could just offer an assessment to say that the problem we have is not because we don't have a pool of talent, once trained, that could be assigned to these important tasks. The problem is, and has always been, resource dedication.

When you review what has happened, I would fit it into the area of deregulation. You know, how can you speed up the inspection system through an SIS and at the same time reduce the workforce to see what is seeable? To me that is a contradiction, but, in fact, it happened because of our lack of dedication to this area.

Mr. STRICKLAND. I would now like to ask you a question about the WIC Program. My district is a large geographical area that is quite poor. Many of the children in my district participate in these nutrition programs, school-based programs. I am thankful for them. I suppose if I were to put a label on myself when it comes to things like these kinds of programs, I would probably be termed a liberal.

What I would like to ask you is to give me some cover, if you can. I can support the full funding of Head Start because it's cost-effective, and I can with enthusiasm support immunizing our kids because it's cost-effective. Could you say something about the cost-effectiveness of fully funding the WIC Program, to assist me as I try to protect myself from those who would call me an irresponsible spender?

Mr. ESPY. Yes, sir, I can say that not only could I give you cover as Secretary of Agriculture, but the gentlemen that I mentioned earlier, the CEOs of the five Fortune 500 companies who appeared before the Budget Committee a year-and-a-half ago could you give the best cover possible when they realized that from now to the year 2000, into the next century, we have to nourish, educate, and train a workforce to compete against those in other countries who realize the benefit of nutrition and education.

We have to train them to compete against the best that these other countries have to offer. They turn to the WIC Program as a

perfect example of the most cost-effective way to improve the quality of our workforce in later years. For every dollar you spend, you save $3, usually in Federal outlays, in the form of prevention and the reduction of health care costs later on.

As one on the Budget Committee, as you already know, I'm sure, that when you look at these incredible outlays and this incredible, looming debt and deficit that we have, $350 billion, $4.1 trillion, you can cut spending all you care to, but it is not going to do anything unless you get a hold on health care costs.

The Chairman can tell you, as we struggle in that committee for elbow room, just for elbow room, we are being pushed from each side by these larger and larger mandatory entitlement payments, most of which have gone towards increased health care costs: 12 percent of our gross national product on health care and 30 million Americans without insurance and many more uninsured. I just say that we should do everything that we can do to prevent these costs on the front side, and WIC is a perfect example of that.

Mr. STRICKLAND. Thank you.

Chairman KILDEE. Ms. Woolsey?

Ms. WOOLSEY. Thank you, Mr. Chairman.

Welcome, Secretary. During my election campaign, I often said that every child should go to school nourished, healthy, and ready to learn. It really pains me that over the past decade we have cut our Federal funding for school lunch and breakfast programs. Our Federal assistance has really dried up.

The link between hunger and the ability to learn is very real. Study after study reveals that kids simply do not have the capacity to learn as well when they are hungry as they can when they are healthy. This is a fundamental issue, and it is one that I am so pleased that you are addressing because, once we do solve the problem, we will be competitive among all nations of this world.

I am pleased that this committee is taking a look at this critical issue, and I thank the Chairman for his leadership and attention to child hunger. I would like to also commend my distinguished California colleague, Mr. Miller, who has always been a leader on children's issues, and I look forward to hearing about his bill, H.R. 11.

I also look forward to supporting you, Mr. Secretary, in fully funding the WIC Program, and working with you in your role of helping to shape agriculture policy.

Mr. ESPY. Yes.

Ms. WOOLSEY. Because I am from the 6th District in California, and agriculture is very important to us.

Now I have a comment. I encourage the universal school lunch program, and I would like to see it expanded.

[Applause.]

Ms. WOOLSEY. I would like to see it expanded to include breakfast, because a youngster who is hungry in the morning has a hard time learning while waiting for lunch.

Now I have a question. I am originally from Washington State. My father was a veterinarian and he was also a meat inspector for the State of Washington. He always questioned why a meat inspector needed to be a veterinarian. It would seem to me that we should train technicians to inspect meat. Is it still a veterinarian that has to be a meat inspector?

Mr. ESPY. No, no, no.

Ms. WOOLSEY. Oh, good.

Mr. ESPY. Every meat inspector doesn't have to be a veterinarian, but there ought to be veterinarian services available to every meat inspection plant, on call or rotating.

Ms. WOOLSEY. Right.

Mr. ESPY. We have that system enforced right now. I think the ultimate solution, as long as we are going to inspect visually, is to improve and increase the workforce and make sure that it is better trained, and as we move to this science-based system, that we can train the meat inspectors, to educate them to accommodate this new system that we hope to install.

As I have said, I have talked with certain scientists over the last few weeks, and you talk about how things got to this point, this pathogen is nothing new, honestly. We have known about this since 1982. We have had several deaths from this particular strain of E. coli. We have known this, and it is incredible to me why we have not moved faster.

I talked to a gentleman from a certain university who told me that a year-and-a-half ago he presented a proposal to the Food Safety and Inspection Service to acculturate, within a 24-hour period, this E. coli bacteria. The proposal was rejected by USDA because it was not based on sound science. He returned to his university, and with the resources made available to him locally, he developed it to a 24-hour period. We have that now, we have that.

Certain retail outlets are testing the meat patties before they are served to the public based on the test already available. The problem comes in that, can you slow down these carcasses as they rush by to test and to wait for a day? I don't think it is very practical to do that. Plus, you have the problem of, which part of the carcass do you test? You know, what part do you test for this bacteria? It is an incredible problem of a very practical nature.

I told him to go back and to present to me the results of his work so far, so that we might fund it to speed up the process where we could cause it to culture within a few hours. He tells me even that we are at the point where we are able to test the live cow before slaughtering, to take a blood sample and see whether or not there might be these pathogens around.

We are very close. I am disappointed that we have known it since 1982 and really have not done much about it. But this is a new day, and we've got a new team, and we are on the case, and I hope that we are able to make some great announcements about this in very short order.

Chairman KILDEE. Mr. Roemer?

Mr. ROEMER. Thank you, Mr. Chairman.

Welcome back to Congress, Mike.

Mr. ESPY. Thank you.

Mr. ROEMER. Having served with you during my freshman term for the last 2 years, I feel very, very confident with you at the helm. I can tell you, Mike, that in my 2 years on this committee, never have I heard the thunderous applause for anybody's opening statement as we heard for you. I congratulate and wish you well and look forward to working with you on WIC and a number of other programs.

I have a couple of quick questions, the first one dealing with WIC. We are going to move to full funding of WIC, which I certainly applaud and support. It is not enough these days, with the problems that we have with our children and health care and with the public's skepticism about government spending, just to go toward full funding on some of these programs. Some of the programs, even as good as they are and effective as they are, such as WIC, also need to be improved from the bottom up.

I have been to a number of the WIC services in my district in northern Indiana, and recommend improvements in accessibility and proactivity in preventing health care problems, as well as being located near transportation sources. I am especially interested in some of the changes that we are seeing in integration of services. Some of the hospitals are building new care units in urban settings and inner cities in my district, trying to coordinate WIC services and nutrition services with other services for primary care for poor people, indigent people, inner-city people that rarely get preventive and proactive treatment.

I guess my first question would be: What are we looking at to reorganize WIC to continue to make it one of the best government programs that Democrats and Republicans alike can support? What kind of fundamental changes are we looking at? As you said in your opening statement, which I highly applaud, "The massive constructive changes that we need to see in government."

Mr. ESPY. Thank you, Tim.

Everything you mentioned with regard to making it more effective and more efficient are things that we are considering. As you know, I am from a very rural district. Although I am complimentary of WIC, I also realize that when you have a program that is universally lauded like this but yet only 60-or-so percent of the eligible client base can participate, you have first got a problem with education and information.

I have always wondered, driving home through my very rural district, why I didn't hear more PSA announcements about this WIC Program and the availability of it. I think that is the first thing that we can do. Over at USDA, many people think that we are archaic and antiquated. I want to disabuse you of that notion right now.

There are certain things that we can do better, but I am going to tell you, communications and the technology of communications is an area where we will stand second to none. We have such a capability to communicate with every farm in America and every agricultural outlet from the basement of USDA through our satellite network, it is amazing.

I would offer that to anyone here, to come down to the USDA, to sit with out PR specialists and let's create a PSA commercial or some mechanism so that we can tell all those who are unaware of WIC of the benefits of it and where to go get it. We will do that for free. I am saying to all those here—food school service workers, WIC workers, whomever—come on down and let's help you communicate with the eligible clients.

Secondly, the fact that my district is rural means that we have to fashion transportation networks. The people out there, sometimes they know but they can't get to the distribution point, and so

we have to find a way to remedy that problem. Mobile vans or whatever is something that we can talk about.

Then, thirdly, you get very frustrated when you come to the point and you only have but so much time, and you have to go here to get this and there to get that and over here to get this. I think that we can create a system of one-stop shopping, that we can integrate the WIC Program into the other service, available service at one point. Then anything we can do to reduce the cost, the administrative cost, is something we need to review.

Mr. ROEMER. Thank you, Mike. Let me ask you one final question. You have been very articulate about your concerns for the food tainting problem in Washington State. You have put your finger right on the problem of the paucity in the number of inspectors, which would take money and some time to address. You talked about the education of cooking the meat to a certain temperature and making sure that that information gets out there and that you are working with some of the fast-food chains and other fast-food organizations that might eventually run into this problem.

From my reading of the newspaper accounts of the recent death of the 17-month-old, they point to yet another bottleneck. Those are the first two bottlenecks. The third bottleneck being the child allegedly, or reportedly, died without eating the meat but was in contact with a person at a day-care center who had been exposed to the bacteria.

Mr. ESPY. Yes.

Mr. ROEMER. What specifically can we do to solve this part of the bottleneck in relation to the existing problem in Washington State and in future cases, in addition to trying to solve the problem in the first two ways that I mentioned?

Mr. ESPY. That is the great irony to this tragedy. Of the three children so far—and hopefully that is all that will die—but of the three who died so far, only one, to my knowledge, ate at this particular fast-food outlet—only one. The other two had been exposed to a child or someone else who had been exposed to a child. In other words, it has a hepatitis feature to it.

Tim, beyond stopping it in the first place, either at the cow or the cattle at the slaughter point, or every critical control point, making sure that we can test to get it out of the supply, I would say that we have to do more to educate, to inform all of the users of the problem inherent in dealing with this germ: washing your hands, cooking to 155 degrees, not allowing the meat to sit unrefrigerated for a period of time.

You know, all of these things we are doing, certain industry groups are doing. We have to do a better job. Just in that day care center situation—just washing your hands, being very careful, as careful as you can be—but beyond that, I'm not sure what else we can do.

Mr. ROEMER. Great to see you again, Mike, and best of luck.

Mr. ESPY. Thank you.

Chairman KILDEE. Mr. Becerra?

Mr. BECERRA. Thank you, Mr. Chair.

I would like to congratulate Secretary Espy and welcome him here as a new member. Let me ask you, because I know we all

have a "full plate," if I can use the term, with some, I think, very good, prudent, and healthy programs. I applaud your statement right now about the initiative to hold PSAs and try to get the word out regarding the WIC Program. I would like to, first of all, take you up on that offer as someone who speaks Spanish in trying to reach that population which oftentimes is missed.

Mr. ESPY. Sure.

Mr. BECERRA. What could the agency, or USDA, do to try to reach this particular segment of the population that doesn't always get information because it is not translated into a language other than English?

Mr. ESPY. Thank you for the question. You know, I criticize our operation in the sense that it is too large—it is incredibly large. We have 124,000 employees, 42 agencies, and we are spread out—and we touch and concern everybody, because everyone eats. As proud as I am of what we do, I realize that we can do certain things a little bit better.

I was somewhat surprised to learn that within our PR function we have a thousand employees, a thousand. Now, some of them are forest ranger information officers, okay, but we have about 500-or-so in Washington. We have got 500 PR officials. Every agency, each one of these 42 agencies, has a cadre of PR folks, a spokesperson for the administrator, a press secretary for this person.

I am just not sure that we need that many, frankly. I don't think we need a thousand people telling the public what a good job we do. I believe in the old school: let the work we do speak for us. We are downsizing this already. We have created one department of communications with a desk system, a desk for meat inspection; a desk for food services; a desk for this. We are in the process of doing that now.

We will certainly have, and I'm sure we already do—if you have got a thousand people, I'm sure that we have many with the idea of providing services to Spanish-speaking clientele. I am sure that we do. If we don't, I would be surprised. If we don't, we will hire some and develop this capacity.

It is a serious offer. We need these PSA announcements done and put on the radio. We have the capability of creating this in the Department. It won't cost you anything, so I would say to you or whomever, come on down and let's get to work.

Mr. BECERRA. Okay. As I said, I most definitely will take you up on the offer.

Mr. ESPY. Yes.

Mr. BECERRA. I will make sure that I contact people that I know that try to service individuals who would qualify for WIC to make sure that they know of the offer as well.

I would also like to ask if you might accept the offer of my assistance to make sure that, in fact, you do have those people who can reach out to those who are Spanish-speaking, but not only Spanish-speaking. I have a district that has a lot of individuals who are from China and South Korea. Many of the Asian immigrants that are in my district also need that assistance as well.

Let me also now turn to the whole issue of immunization under WIC. I am not real familiar with the scope of WIC, but I see from

your testimony that WIC will have some role in the whole scope of immunizing children. Can you tell me more about that?

Mr. ESPY. Let me turn to George.

If you will?

Mr. BRALEY. Yes, sir. We have done a lot to promote immunization historically through WIC, because, as the Secretary mentioned in his testimony, WIC is a gateway program into the health service network so there is a natural referral activity there. We want to do more, and I think we can. As the details of the President's efforts to immunize the preschool population, more of them are available and announced, I think WIC will play a vital role in making sure that children are referred for immunizations.

I think WIC, especially as it moves towards full funding, will probably be the best single program to identify the pool of children who are under-immunized now, the low-income population. I think WIC will be a very important part of that.

Mr. BECERRA. I would encourage the Department to take up that task, especially under this Secretary. I know that that means the Department will do a very good job.

Two quick final questions. I notice that under the lunch, breakfast, and other programs where we provide food and those that are subsidized, we also subsidize the full-priced meals. I did some quick math, and perhaps I'm wrong, but it seems that it is not all that much. We still subsidize 11.7 million lunches at about 16.25 cents per lunch, and breakfasts into the amount of 595,000 at 18.5 cents apiece.

Whatever that amount comes to, let me ask, when I see that full-priced meals that we are subsidizing, are these meals that go to individuals or to families that can afford to pay the full price?

Mr. BRALEY. Yes, sir. Those subsidies are available to all children, regardless of the family income, so, yes, they are made available to everyone. The argument in favor of that has been that this was a program for all children and that it was to provide a basic subsidy structure so that a program could exist. The children from lower-income families, of course, receive larger subsidies than that, but that is part of the subsidy package for everyone.

Mr. GOODLING. Would the gentleman yield?

Mr. BECERRA. Yes.

Mr. GOODLING. You weren't here earlier when I made my remarks. This is a battle that I have always had to fight my administration on. The whole purpose for this is to make sure that every child has a free or a reduced-price lunch. With the exception of a couple of States, they do not have to serve the National School Lunch Program. If they don't, and with the exception of a couple of States, they don't have to serve free and reduced-price people. In order to make sure that the program continues, it is not a subsidy to the paying customer, it is a subsidy to make sure that the program continues so that we do feed free and reduced-price people.

Mr. BECERRA. It sounds like what government does, yes.

[Applause.]

Mr. BECERRA. One last question.

Chairman KILDEE. On that, I can recall 1981, was it, we started this struggle? Whenever you do drop those students or drop the support for the paying students, under the principle of economy of

scale, you find schools dropping the program, and therefore the free and reduced-price students are usually hurt by that. It is really a subsidy to the program, rather than a subsidy to those students. The experience has been in the real world, is that when you drop those students or don't provide some funds for those, schools will drop the program, and the poor students, therefore, suffer as a result.

Mr. BECERRA. I see.

Chairman KILDEE. That has been the experience regularly whenever that happens.

Mr. BECERRA. I see. I thank the two gentlemen for their comments and clarification.

A final question, Mr. Secretary. We all heard about the fuss made over the nutritional content of the food that children receive and whether or not one thing is a vegetable and one thing is not. I am wondering if you can tell me if there are any plans underway within the Department to re-examine the actual nutritional content of the various foods that are served through these different programs that you have?

Mr. ESPY. Well, my take on it is that nutritional content is very important, and we need to make sure that we can improve the content. As one who served here for 6 years and had a chance to criticize—and usually we did—this whole effort, it was pretty much from a budgetary side of thinking.

You know, to review the nutritional content of ketchup so that ketchup could be included in the basic diet so that you would not have to provide as many other things which cost the government money, I thought that that was a bunch of bull, and I said, "So what?" I hope that this type of thought will no longer be, at least, our thinking at this point.

George, I turn to you for the other.

Sure, we need to have a nutritious diet. It needs to be very beneficial from that point of view, and we will be promoting that.

Mr. BRALEY. The Child Nutrition Programs, the studies have shown, do an excellent job in terms of providing levels of vitamins and minerals that are much better than alternative meals. The area that is a challenge not just for school lunch, but for diets of Americans, in general, is to deal with issues of too much fat and saturated fat and sodium, and that sort of thing. That really is a challenge that lies ahead.

We are looking at ways to adjust our meal patterns and other things to try to attack that problem but, at the same time, make the meals attractive and appealing to kids and also maintain the good record of having all the vitamins and minerals that kids need, which is why the programs were begun in the first place. There is a lot of work to do, and a lot of the people in this room are working hard on those issues with us right now.

Mr. BECERRA. Thank you, Mr. Secretary, and thank you, Mr. Chair.

Chairman KILDEE. Mr. Reed?

Mr. REED. Welcome, Mr. Secretary, and congratulations.

Mr. ESPY. Thank you.

Mr. REED. We are all delighted that you are there, and confident that you will meet this challenge. I would like to follow up on some

of the questions regarding paperwork reduction and the administrative overhead associated with the school-based programs. Are you actively pursuing either legislative changes or administrative changes to reduce the amount of paperwork, and is there any thought of perhaps even trying to eliminate in total the school-based administrative program, move it to someplace else that is more efficient?

Mr. ESPY. Let me turn to George for that one.

Mr. BRALEY. Yes, sir. We are always interested in ways to try to make the program less of a burden for the people who administer it locally and to make sure that nutrition gets the emphasis and that paperwork is kept to a minimum. We have a responsibility in a program with $4 billion in Federal subsidies to maintain some accountability, so there is always going to be a balance between those two competing concerns.

We have worked with folks on a very controversial issue, coordinated review system, to try to come up with ways to reduce the paperwork there but maintain a degree of oversight and accountability. There may be more we need to do as we move down the road on that.

One area that holds some promise is having people who already have information on the income of families of schoolchildren provide direct certification to the schools that these children are eligible, through their participation in the Food Stamp Program or Aid to Families with Dependent Children.

A lot of school districts have tried that and found that it reduces the amount of paperwork they have to do associated with processing applications. That was an opportunity that was made available through legislative changes that came through this committee, and ultimately became law. We think that is an area where some paperwork can be reduced and shift some of that responsibility to the welfare office and out of the school district.

Mr. REED. Do you have any studies that look at this problem in terms of the cost, the administrative costs, associated? My context is, not only are we responsible for having children ready to learn, we also have a responsibility in the committee to ensure that teachers and administrators have time to teach and time to develop curriculum. It seems there is sometimes a tension between these two things.

I was wondering if, first, you had the studies, and, second, if based on those studies, you could think about ways in which the system might be with the same integrity, removed to a site away from the school?

Mr. BRALEY. I am reminded that we do have some studies that were mandated in earlier legislation that will be out this summer on paperwork reduction issue, and so I think that will help inform us as we move into reauthorizing these programs over the next year.

Mr. REED. Thank you very much. Thank you.

Mr. ESPY. Thank you.

Chairman KILDEE. The Chair is very grateful to Secretary Espy for being here this morning and bringing Mr. Braley with him. Mike, the Department of Agriculture needs someone leading it, as they have right now, who has both a good head and a good heart.

You have both of those. You have intelligence to run the Department, and you have the heart for people. I am very pleased with the President's choice in selecting you.

Mr. ESPY. Thank you, Dale.

Chairman KILDEE. I want to thank you for this testimony this morning, too, and I look forward to working with you.

Mr. ESPY. Thank you, sir.

Chairman KILDEE. Thank you very much.

[Applause.]

Chairman KILDEE. Our next witnesses will sit as a panel, consisting of: Elizabeth McPherson, president of the American School Food Service Association; Mary Kassler, president of the National Association of WIC Directors; and Charles Hughes, president of AFSCME, Local 372, in New York City. Mr. Hughes wears two hats; he is also my spiritual director.

All right. McPherson, okay, you may begin.

STATEMENTS OF ELIZABETH M. McPHERSON, PRESIDENT, AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, ALEXANDRIA, VIRGINIA; MARY K. KASSLER, PRESIDENT, NATIONAL ASSOCIATION OF WIC DIRECTORS, WASHINGTON, DC; AND CHARLES HUGHES, PRESIDENT, AFSCME, LOCAL 372, DISTRICT COUNCIL 37, NEW YORK, NEW YORK

Ms. MCPHERSON. Yes, I am ready.

Chairman Kildee, it is a delight to be here this morning and exciting to follow Secretary Espy's testimony and to hear the answers that he gave to questions. It is refreshing to have a Secretary who has considered so carefully the things that have gone before his coming into the position, and to know that he is beginning to act on S. 303 and that he is looking at ways to make the technology that USDA has available to our programs. ASFSA is looking forward to being a part of that partnership that he talked about between your committee and between the Department of Agriculture and the public.

With me this morning, I have Dorothy Caldwell who is president-elect of the American School Food Service Association; Marilyn Hurt who is chair of our Public Policy and Legislative Committee; and Marshall Matz, our counsel. We want you to know that we are supportive not only of what Secretary Espy has said about Child Nutrition and the Programs that we administrate, but we support what he is promoting in the area of sanitation and safety. We require that as a part of our professional development and certification program in ASFSA. I would like for it be a matter of record that we have 50,000 of our 65,000 members who are certified and who have acquired the technical training to provide food properly prepared as a voluntary effort in our association. We are proud to offer that to the American public. We are very pleased to be able to talk to you today about the National School Lunch and School Breakfast Program.

Recent years have been hard on the National School Lunch and Breakfast Program. Federal support has been reduced; the regulatory burdens that have been placed on schools have increased; the local school districts have steadily increased the amount of the cost

of indirect cost of operating the program that child nutrition programs have to pay; and Federal "bonus" commodities have nearly disappeared.

Let me note that we know that we are better off than we would have been if we had not had the strong bipartisan support that the leadership and the members of your committee have given to us through the years.

In 1981, the school lunch general assistance was cut by one-third. Three million children, including one million low-income children, were forced from the school lunch program. Current school lunch participation, 25 million children per day, is still 2 million lower than the number who were served at the time that we endured those cuts.

In the last few years, approximately 200 schools have withdrawn from participating in the National School Lunch Program because of the effect of those cuts. When a school drops out of the program, all students in the school, including the low-income children in that community, are denied access to this important Federal program.

In response to this trend, in 1992 the Senate passed S. Res. 303, introduced by Senator Mitchell, from Maine, requesting the Secretary of Agriculture to undertake a study on the various options for implementing and funding a universal-type school lunch and breakfast program. We are very pleased, I want to repeat, that Secretary Espy is already working on that.

In the House of Representatives, Representative George Miller, from California, has introduced H.R. 11, the Universal Student Nutrition Act of 1993, to give every school in America the option of implementing a universal school lunch and breakfast program by the year 2000.

We are here today to express our strong support for H.R. 11. Attachment B to my statement which you have received is a list of other national organizations that have endorsed the concepts in H.R. 11.

The overriding goal of the legislation is to make school lunch and breakfast an education and health promotion program integrating into the school day. Participation in the current school lunch and breakfast programs requires that every school determine the family income of every child in the school who applies for a free or reduced-price meal and then to document and to verify that information.

This requirement has created a significant stigma for children participating in the school lunch program, both poor and nonpoor children alike, and this stigma has resulted in 4.2 million eligible low-income children failing to apply for that reason. We see them moving out of the program as they move to adolescence and are very aware of stigmas.

The current approach has drained scarce resources needed for nutrition education and for the additional food needed to implement the dietary guidelines. It has created an overwhelming paperwork burden that requires schools to replicate tasks that have already been performed by both the Internal Revenue Service and the various State Departments of Welfare.

The Miller legislation would eliminate any requirement for soliciting and verifying household income data. It would treat all children alike, regardless of their family income; it would ask the schools to adhere to the "Dietary Guidelines for Americans" and strengthen the nutrition education component of the school lunch and breakfast program.

A universal school lunch and breakfast program would benefit the child, the family, the school, the community, and the Nation. Such a program would prepare children for learning every day; it would fight childhood hunger; it would reallocate resources from paperwork to implementing the "Dietary Guidelines for Americans."

No matter how good our schools are, no matter how good our teachers are, our education system will only work effectively if children come to school ready to learn every day. H.R. 11 has an implementation date of July 1, 2000. The cost of the legislation as introduced would be significant. Exactly how significant is still unclear. ASFSA is talking to CBO about their assumptions, and we are talking to USDA about how the program would be structured.

Our hope is two-fold: first, that the deficit will decline during the 1990s, and, second, that H.R. 11 would be viewed in the context of the larger education and health care reform initiatives. Recent polls indicate that most Americans are willing to invest more in education.

There are also less costly ways to approach this proposal, if necessary. We could begin with initiating the proposal in elementary and middle schools, or we could initiate the proposal in high schools and middle schools where students are leaving the program. We could initiate the concept in high poverty areas. We could combine the middle program with a unique funding mechanism that could lower or eliminate the cost of a universal initiative.

In a nutshell, we could use the IRS to collect the school lunch and breakfast fees on an annual basis, thereby eliminating the requirement that schools throughout the country would have to collect the money on a daily basis after first documenting the family income. Students would no longer be identified by income category. The focus at the local school level could then be on feeding children and preparing them to learn every day.

Further, the feeding of the children and preparing them to learn would make more effective use of our teachers' time. The IRS knows the family's income. They know whether there are children in the family and the age of the children. We appreciate that this suggestion may be an unprecedented use of the IRS, and we don't expect them to be excited about it. However, if we are going to address the social needs and a significant deficit simultaneously, we need to be ready to get out of our "boxes" and open ourselves to new approaches.

The National School Lunch Program has been one of the Federal Government's most successful programs, yet the program is at a crossroads, and it faces a difficult challenge. It needs to be restructured. Current policy treats the school lunch and the breakfast programs as income-security-type programs.

Congressman Ford reminded us this morning that that is not the way that the school lunch program began. It began because of the concern for the nutritional status of our Nation's children, and we would like to see it return to what it was meant to be. We believe that a policy decision must be made to treat the programs as an education and health care program where all children are treated alike.

Japan, which views child nutrition programs as an integral part of the education day, serves 98.2 percent of its elementary school-children a school lunch. The United States serves 60 percent of our students. We are moving in the wrong direction when we treat the school lunch and breakfast program as an income-security program.

If we are to compete effectively in the world, we must, along with our other initiatives, change our thinking about child nutrition programs. Hungry children don't learn, and illiterate adults do not function and cannot compete.

It is time to reset our priorities to help shape a healthy future for our Nation's children. With a universal program we will integrate school nutrition into the total educational process. Feeding children at school is not icing on the cake, but the very staff of life that will enable us to achieve our vision: healthy children, ready to learn every day.

Thank you.

[The prepared statement of Elizabeth M. McPherson follows:]

TESTIMONY

OF

THE AMERICAN SCHOOL FOOD SERVICE ASSOCIATION

BEFORE THE

COMMITTEE ON EDUCATION AND LABOR

U.S. HOUSE OF REPRESENTATIVES

February 23, 1993

Mr. Kildee, Mr. Goodling, members of the Committee, I am Elizabeth McPherson, President of the American School Food Service Association (ASFSA). With me is Dorothy Caldwell, our President-elect, who is also the Director of Child Nutrition for the great State of Arkansas ... (it's just a coincidence, Dorothy was elected first). Also with me is Marilyn Hurt, the Chairperson of our Legislative Committee, and the Director of Child Nutrition in LaCrosse, Wisconsin, and Marshall Matz, our Counsel. We are delighted to be here with you this morning and appreciate your scheduling this hearing to coincide with our Conference.

SCHOOL LUNCH AND BREAKFAST PROGRAM HISTORY

Mr. Chairman, the National School Lunch Act, dedicated to the health and well-being of all children, was enacted as a grant-in-aid program in 1946. Its enactment was one of the first actions taken by Congress after World War II because of the large number of military recruits who failed physicals due to nutrition-related problems.

The 1969 White House Conference on Food, Nutrition and Health led to the expansion of child nutrition programs and enactment of the free and reduced-price school lunch program for low-income students. In 1975 Congress permanently authorized the School Breakfast Program.

Recent years, however, have been hard on the National School Lunch and Breakfast Programs. Federal support has been reduced; the regulatory burden placed on local schools has increased; federal "bonus" commodities worth hundreds of millions of dollars have vanished; and local school districts are charging school food service authorities a higher and higher percentage of the indirect expenses associated with the operation of the school.

In 1981, school lunch general assistance (Section 4 of the National School Lunch Act) was cut by one-third. Three million children, including one million low-income children, were forced from the school lunch program. Current school lunch participation (25 million children/day) is still 2 million lower than it was in 1979 when 27.1 million children were served, while school enrollment has remained constant at 41 million. Let me note, Mr. Chairman, that we would have seen even deeper cuts in the 1980's, were it not for the strong bipartisan support we received from this Committee.

In the last few years approximately two hundred schools have chosen to terminate their participation in the National School Lunch and Breakfast Programs. When a school drops out of the program all students in the school, including low-income children,

are denied access to these important federal programs. (See Attachment A.)

RECENT CONGRESSIONAL ACTION

In response to this trend, in 1992 the Senate passed S. Res. 303, introduced by Senator Mitchell (D-Maine), requesting the Secretary of Agriculture to undertake a study on the various options for implementing and funding a universal-type school lunch and breakfast program. In the House of Representatives, Rep. George Miller (D-Calif.), has introduced H.R. 11, the Universal Student Nutrition Act of 1993, to give every school in America the option of implementing a universal school lunch and breakfast program by the year 2000.

We are here today to express our strong support for H.R. 11. Attachment B to this statement is a list of other national organizations that also support H.R. 11.

The overriding goal of the legislation is to make school lunch and breakfast an education and health promotion program integrated into the school day. Participation in the current school lunch and breakfast programs requires each school to determine the family income of every child in the school who applies for a free or reduced-price meal and then to document and verify that information. This requirement has created a significant stigma for children participating in the school lunch program (both poor and non-poor children alike). According to a USDA study, 4.2 million eligible low-income children fail to apply for the program.

The current approach has drained scarce resources needed for nutrition education and for additional food to meet the Dietary Guidelines for Americans. It has created an overwhelming paperwork burden that requires schools to replicate tasks already being performed by both the Internal Revenue Service and the various state departments of welfare.

The Miller legislation would eliminate any requirement for soliciting and verifying household income data. It would treat all children alike regardless of family income; ask the school to adhere to the Dietary Guidelines for Americans; and strengthen the nutrition education component of the school lunch and breakfast program.

Ms. Sharon Kagan of the Yale University, Bush Center in Child Development and Social Policy, writing in the Fall/Winter 1992 issue of the GAO Journal ("The Readiness Goal," pp. 12, 16) concluded: "[t]he nation needs to consider whether a universal breakfast and lunch program might be a more effective strategy to ensure that the nation's children are adequately nourished."

BENEFITS

A universal school lunch and breakfast program would benefit the child, the family, the school and the nation. Such a program would --

- Prepare children for learning.
- Fight childhood hunger.
- Reallocate resources from paperwork to implementing the Dietary Guidelines for Americans.

- Promote program quality and increase student participation.
- Enhance the long-term health of Americans.
- Provide an incentive for children to go and to stay in school.
- Eliminate the identification of low-income students as well as the welfare stigma of the program.
- Enhance service to children with special needs.
- Use the school nutrition program as a laboratory for nutrition education.
- Increase the consumption of domestic agricultural products.

IMPLEMENTATION

No matter how good our schools are, no matter how good our teachers are, our education system will only work effectively if students are ready to learn. This Committee, after an exhaustive study, concluded in a 1989 Committee print that:

> [h]unger does affect learning by decreasing the child's receptivity to, and ability to profit from, new activities. A lack of food interferes with a child's ability to discriminate between relevant and irrelevant features of any kind of stimuli, including those associated with education. Children who receive food supplements are better able to handle complex tasks, are more attenti[illegible] in school, participate more in class, and are more likely to ask questions. . . . Children who do not eat properly miss more school, are more likely to drop out of school, and will be less productive in the future.

H.R. 11 has an implementation date of July 1, 2000. The cost of the legislation, as introduced, would be significant. Exactly how significant, however, is still unclear. We are talking to CBO about their assumptions and we are talking to USDA about how the program would be structured. Our hope is twofold: first, that the

deficit will come down during the 1990's, and second, that H.R. 11 would be viewed in the context of larger education and healthcare reform initiatives. Recent polls indicate that most Americans are willing to "invest" more in education.

There are also less costly ways to approach this proposal, if necessary:

- Initiate the proposal in elementary and middle schools.
- Initiate the proposal in high schools and middle schools.
- Initiate the concept in high poverty areas.
- Combine the Miller bill with a unique funding mechanism that could lower or eliminate the cost of a universal initiative. In a nutshell: use the IRS to collect the school lunch and breakfast fees on an annual basis, thereby eliminating the requirement that the schools throughout the country collect the money on a daily basis after first documenting family income. Students would no longer be identified by income category. The focus at the local school level would be on feeding children and preparing them to learn. Further, the IRS knows your family's income, whether you have children, and the age of the children. We do appreciate that this suggestion may be an unprecedented use of the IRS. However, if we are to address social needs and a significant deficit simultaneously, we need to be open to new approaches.

CONCLUSION

The National School Lunch Program has been one of the federal government's most successful programs. Yet, the Program is at a crossroads and faces a difficult challenge. Current policy treats the school lunch and breakfast programs as income security-type programs. We believe that a policy decision must be made to treat the programs as an education and healthcare program where all children are treated alike.

Japan, which views child nutrition programs as an integral part of the education day, serves 98.2 percent of its elementary school children a school lunch; the United States serves 60 percent of our students. We are moving in the wrong direction treating school lunch and breakfast as "income security" (function 600) welfare programs. If we are to compete effectively in the world, we must (along with other initiatives) change our thinking about school nutrition programs.

Hungry children don't learn, and illiterate adults can't compete. It is time to reset our priorities to help shape a healthy future for our nation's children. With a universal program, we will integrate school nutrition into the total educational process. Only then will we achieve our vision -- healthy children, ready to learn.

Thank you.

ATTACHMENT "A"

SCHOOLS THAT HAVE DROPPED THE NATIONAL SCHOOL LUNCH PROGRAM* 1989-93

Name of School(s)	Town	Enrollment	Estimated Number of Students Qualifying for Free and Reduced-Price Meals
Alaska			
Homer High School	Homer	457	42
Arizona			
Cactus High School	Peoria	1,569	65
Centennial High School	Peoria	327	22
Ironwood High School	Peoria	1,700	65
Peoria High School	Peoria	1,583	261
Yarnell Elementary		63	44
Corona del Sol High School		2,175	26
California			
Knights Ferry School District	Stanislaus Cty.	63	16
Evangelical Methodist Christian School	San Joaquin Cty.	93	4
Children's Garden Montessori School	Imperial Cty.	110	14
Prunedale Christian School	Monterey Cty.	108	--
First Lutheran Christian School	San Bernardino Cty.	173	5
Mt. Zion Christian School	San Bernardino Cty.	35	29
Hermosa Beach City School District	Los Angeles Cty.	35	29
Santa Clara Cty. Office of Education - Outdoor Education	Santa Clara Cty.	382	--
Equinox School District	Humboldt Cty.	56	7
Nevada County Sup. of Schools	Nevada Cty.	N/A	N/A
St. Joachim School	Orange Cty.	238	26
State Special Schools (2)	Sacramento Cty.	49	25
Bennett Valley Union School Dist.	Sonoma Cty.	990	45
Colorado			
Cherry Creek High School	Englewood	2,919	60
Cheyenne Mtn. High School	Colorado Springs	603	38
Brighton High School	Brighton	1,141	150
Manitou Springs High School	Manitou	388	13
Fairview High School	Boulder	1,282	80
Arapaho High School	Littleton	1,853	24
Boulder High School	Boulder	1,552	142
Widefield High School	Widefield	1,514	120
Bear Creek High School	Lakewood	1,853	156
Lake County High School	Leadville	291	83
Aspen High School	Aspen	309	N/A
Steamboat Springs High School	Steamboat Springs	443	18

*Not a complete list. None of the listed schools closed or merged with other schools.
N/A = Not available

BEST COPY AVAILABLE

Connecticut				
3 schools	New Hartford	544	14	
4 schools	Wilton	1,874	14	
2 schools	Windsor	1,877	42	
5 schools	East Lyme	2,418	79	
1 high school	Region 1	475	12	
Litchfield High School	Litchfield	275	8	
Georgia				
Berean Elem. School	Atlanta	350	65	
Fullington Academy	Pinehurst	312	2	
Indiana				
Mishawaka High School	Mishawaka	1,522	150	
Mizpah - SDA	Gary	54	8	
Louisiana				
Cabrini High School		416	31	
De La Salle High School		773	16	
Trafton Academy	Baton Rouge	125	10	
Grawood Christian	Keithville	141	7	
Ephesus Academy	New Orleans	122	80	
Maine				
Lisbon High School	Lisbon	440	97	(Free)
Presque Isle High	Presque Isle	743	156	(Free)
Falmouth High School	Falmouth	275	11	(Free)
Marshwood High School	Eliot	650	52	(Free)
Brunswick High School	Brunswick	973	107	(Free)
Gorham High School	Gorham	600	66	(Free)
George Stevens Academy		314	22	(Free)
Gray - New Glouster High School		558	67	(Free)
Kittery High School		350	42	(Free)
Massachusetts				
Mt. Carmel Elementary	Methuen	230	7	
St. Bernard's Elementary	Fitchburg	224	9	
Hellenic School	Lowell	N/A	N/A	
Minnesota				
Edina High School	Edina	1,168	33	
Valley View Jr. High	Edina	701	11	
Southview Jr. High	Edina	602	12	
Missouri				
Sacred Heart School	Florissant	500	5	
St. Peter's School	St. Louis	335	3	
Assumption School	St. Louis	450	6	
St. Rose of Lima Elementary School	DeSoto	104	21	
Nevada				
Baker School		30	–	

*Not a complete list. None of the listed schools closed or merged with other schools.
N/A = Not available

New Jersey			
Northern Highlands Reg. HS	Allendale	715	--
Bordentown Reg. H.S.	Bordentown	431	41
J. Mitchell/Spruce Run	Annandale	411	10
Patrick McGaheran	Annandale	400	9
Round Valley	Annandale	451	3
Central	E. Hanover	301	10
Frank J. Smith	E. Hanover	265	3
East Hanover Middle School	E. Hanover	370	8
Deane Porter	Rumson	306	5
Forrestdale	Rumson	375	11
Wenonah	Woodbury	200	6
Ramsey High School	Ramsey	743	4
Scotch Plains/Fanwood	Scotch Plains	1,115	16
Levingston High School	Essex Co.	1,283	3
Heritage Middle School	Essex Co.	502	10
Mt. Pleasant Middle School	Essex Co.	344	5
Burnet Hill	Essex Co.	243	0
Collins Elementary	Essex Co.	244	5
Harrison Elementary	Essex Co.	360	5
Hillside Elementary	Essex Co.	314	8
Mt. Pleasant Elementary	Essex Co.	331	1
Riker Hill Elementary	Essex Co.	265	5
New Mexico			
Los Alamos High School	Los Alamos	1,077	10
New York			
Port Jefferson CSD	Port Jefferson	1,393	33
Bay Point/Blue Point CSD	Bayport	2,050	166
SUNY Campus West	Buffalo	700	290
St. Anthony Padua	Endicott	101	5
Yeshiva Samuel Hirschs	Brooklyn	481	57
Bnos Israel	Brooklyn	469	61
Ohio			
Notre Dame	Toledo	736	12
Adrian Elementary	South Euclid	278	23
Ridgebury	Lyndhurt	195	9
Rowland	South Euclid	337	30
Southlyn	South Euclid	248	19
Sun View	Lyndhurst	180	5
Oregon			
Canby Union High School	Canby	1,128	86
Drewsey ES 13	Drewsey	15	--
St. Stephen's School	Portland	120	51
St. Mary of the Valley High School	Beaverton	164	8
Reedsport High School	Reedsport	454	81
Rhode Island			
Blessed Sacrament Elementary	Providence	175	15

•Not a complete list. None of the listed schools closed or merged with other schools.
N/A = Not available

Texas			
Richardson ISD	Dallas	7,268	150
Hurst-Euless-Bedford ISD	Fort Worth	3,751	60
Pflugerville ISD	Austin	1,451	64
Victoria ISD	Victoria	155	15
Round Rock ISD	Austin	1,875	75
Utah			
Park City High School	Park City	536	13
Dixie High School	St. George	903	83
Hurricane High School	Hurricane	450	88
Pine View School	Pine View	1,128	94
Vermont			
Vershire Elementary	Vershire	57	25
Sunderland Elementary	Sunderland	84	34
Virginia			
Lafayette High School	Williamsburg	1,597	134
Albemarle High School	Albemarle Cty.	1,590	38
Culpeper High School	Culpeper Cty.	975	61
Chesterfield Cty. High Schools	Chester	11,995	N/A
Fauquier High School	Warrenton	1,569	N/A
Washington			
Puyallup Valley Christian	Tacoma	234	16
People's Christian	Tacoma	495	17
Longview Christian	Longview	118	4
Seattle Country Day School	Seattle	260	–
Stein School	Edmonds	210	–
Wisconsin			
Lamb of God Christian	Madison	100	7
St. Paul Lutheran	Luxemburg	60	4
St. Edwards	Appleton	60	1
Blessed Sacrament	LaCrosse	283	–
St. John Lutheran	Wausau	73	5
St. John Grade School	Little Chute	462	20
Arcadia Catholic Upper	Arcadia	381	55
New Hope Christian	Crandon	23	23
Skeets Millard Valley	Boscobel	27	22
Bethlehem Lutheran	Milwaukee	101	49
Hillel Academy	Milwaukee	167	44
Lutheran H.S. Greater Sheboygan	Sheboygan	130	3
Siloah Lutheran School	Milwaukee	151	64
Holy Trinity Evangelical Lutheran Elementary School	Okauchee	55	5
St. Hubertus Grade School	Hubertus	110	2
Wyoming			
Jackson Hole High School	Jackson Hole	507	50

*Not a complete list. None of the listed schools closed or merged with other schools.
N/A = Not available

Attachment B

Endorsees of Universal Child Nutrition Concept/H.R. 11 (As of Feb. 16, 1993)

American Association of School Administrators
American Commodity Distribution Association
American Federation of State, County and Municipal Employees
American School Food Service Association
Bread for the World
Campaign to End Hunger
Child Care, Inc.
Church Women United
Community Food Resource Center (N.Y.)
End Hunger Network
Food Research and Action Center
National Association of Elementary School Principals
National Association of Secondary School Principals
National Association of Social Workers
National Farmers' Union
National Milk Producers Federation
New York City Coalition Against Hunger
Nutrition Education Resources Project
Society for Nutrition Education
United Church of Christ--Hunger Action

Chairman KILDEE. Thank you very much.

I serve on three committees, the Budget Committee, as Mr. Espy pointed out this morning, and this committee, but I also serve on the House Administration Committee. Right now, Mr. Goodling has left to go over there and testify before the House Administration Committee, and I want to receive him well because we are trying to get the budget for this committee established.

I hate to do this, but I am going to turn the chair over to someone, however, who will make it less unpleasant because she is such a fine member of this committee. I am going to ask Mrs. Unsoeld to come up here and take the chair while I go over there and make sure that we have enough dollars to do our job and go out and have some hearings to see how you operate out there in the field, and I want to have hearings on the school lunch program and on the proposals you have made here today to improve that program.

Mrs. Unsoeld, if you will come up and take the chair, I will appreciate it.

I'm going to talk to you, Charles.

Mr. HUGHES. Thank you, Mr. Chairman.

Mrs. UNSOELD. [presiding] Ms. Kassler, I believe you are next.

Ms. KASSLER. Thank you.

I am Mary Kelligrew Kassler, and I am president of the National Association of WIC Directors. I am also the State WIC Director for the Commonwealth of Massachusetts. I am very pleased today to have the opportunity to discuss legislation that would extend the Special Supplemental Food Program for Women, Infants, and Children, known as WIC.

I would also like to say up front that the association is very appreciative of Secretary Espy's offer and interest in a public relations outreach campaign to inform needy families about WIC benefits. The association stands ready to work with him and members of Congress on such a campaign. We consider it critical to a full funding effort, which I will discuss later in my testimony.

I would also like to say, even though the congressman has left who was particularly interested in multilanguages, that in Massachusetts we do our basic outreach each campaign in three languages, and we do all of our educational materials in nine languages. The WIC Program nationally is committed to bicultural, multicultural, and multilingual efforts. We feel that is very important, since the majority of our participants do speak languages other than English.

I want to commend you and the committee members for your continuing support for the WIC Program, and your active interest and strong bipartisan support in the health and welfare of our Nation's women, infants, and children. The National Association of WIC Directors is a nonprofit, voluntary organization of State and local WIC Program directors and nutrition coordinators. Our members are dedicated to maximizing WIC services to families in need through effective management of resources.

NAWD is committed to making the WIC Program more responsive to the nutrition and health needs of the women, infants, and children in this country. Currently, the program is estimated to serve some 5.6 million participants a month across the Nation and

in our Territories and Native American States. WIC reaches out to over one-third of the Nation's infants.

Eligibility for WIC benefits requires that health professionals document potential participants' health or nutritional risks. Potential participants must demonstrate that their family income does not exceed 185 percent of Federal poverty guidelines. Among nutritional risk problems which can qualify participants for eligibility are abnormal weight gain during pregnancy, a history of high-risk pregnancies, growth problems in children and infants such as failure to thrive, underweight or obesity, anemia, or an inadequate dietary pattern. That means they are not getting enough food.

Services are delivered through approximately 8,200 local social service agencies or health clinics which have access to health care providers. In sum, WIC provides eligible participants with supplemental foods, but more importantly, nutrition education, breastfeeding information, and improved access to health care delivery systems.

Because the program is a nutritionally-based education program, local agencies offer WIC participants at least two nutrition education sessions in their certification period. Participants learn about their specific nutritional needs, as well as the nutritional needs of their infants and children. They are taught how to shop for nutritious foods and how to prepare economical and well-balanced meals. They are counseled on the importance of regular medical care, including immunizations, referred to that medical care.

They are also counseled on the advantages of breastfeeding infants and the dangers of drug and alcohol use during pregnancy. We provide supplemental foods through monthly food packages which are tailored to meet the specific dietary needs of the women, infants, and children on the program.

Numerous private and public-sponsored studies of the WIC Program have demonstrated that WIC is a highly successful and cost effective program that has achieved significant positive health consequences. According to a USDA study, each dollar spent on a pregnant woman in the WIC Program saves from $1.92 to $4.21 in medicaid costs for mothers and infants in the first 60 days after birth. That is just in the first 60 days.

Other studies have indicated that pregnant women on medicaid who have received assistance through WIC are less likely to deliver premature or low birth weight babies. They are more likely to have healthier babies. These benefits result in enormous medicaid savings and, therefore, reduce Federal and State health care spending.

In a May 1992 General Accounting Office report, GAO estimated that in 1990, the Federal Government spent $296 million on prenatal WIC benefits. This resulted in a savings of $853 million in health-related expenditures for WIC infants during their first year of life. On this initial investment, the estimated total savings in the health- and education-related expenditures over a child's first 18 years of life amounted to $1 billion.

Another study demonstrated the efficacy of WIC in significantly reducing the prevalence of anemia and in reducing rates of high abnormalities among children.

Clearly, these studies and others suggest that failure to enroll all eligible participants in the WIC Program actually costs the Federal

Government far more money than is saved. WIC is a sound investment in the future. The WIC program is essential to ensuring that all of our Nation's children are physically, emotionally, and developmentally ready for the challenge they will face as this Nation moves to place itself in a competitive position in the 21st century. But WIC is not currently available to the majority of the Nation's eligible one- to five-year-olds.

Last week, in this economic message to the Nation, President Clinton proposed funding increases for WIC which reflect his fundamental commitment to the welfare of women, infants, and children whose economic conditions do not provide the kind of nutrition needed for good health and normal growth. I commend the President for his commitment to phasing in full funding for the WIC program by fiscal year 1996, and I am excited about this commitment to a special appropriation of $75 million for this fiscal year and his plan to provide subsequent increases through 1996.

I urge every Member of Congress to support this proposal and help to place all of America's children on an even footing to face the future. The National Association of WIC Directors recommended in 1991 that the Executive and Congress adopt a five-year plan to move the WIC program incrementally towards funding full participation by fiscal year 1996. I am delighted at that the Clinton administration supports this recommendation and has chosen to move forward aggressively with this message in its economic plan.

As you, the Congress, consider full funding for the WIC program, I urge you to maintain our focus on nutrition to maintain our reputation for providing quality services by allowing States to incrementally add caseload, thereby ensuring quality services and preventing undue hardship for participants, to maintain the program's targeting and tailoring capabilities, and exempt WIC from all budget-balancing legislation or agreements.

In addition to our full funding proposal and the association's support for the plan to fully fund the WIC program, NAWD has other legislative proposals which are outlined in our written testimony. I would urge you to look at them. These initiatives comprise increased carry-forward and spend-back capability in order to stabilize the WIC caseload and ensure that people receive stable services. They are not taken off and put back on, having to be put back on the program at a later date. Also, use of food money for breast pumps, this is part of our overall support for breastfeeding promotion activities.

In conclusion, Mr. Chairman, the National Association of WIC Directors looks forward to working with you and the members of the subcommittee and full committee as you consider this legislation to extend the WIC program. I want to thank you for the opportunity to speak to you today, and we are ready to answer any questions and meet with you at any time.

Thank you.

[The prepared statement of Mary K. Kassler follows:]

NATIONAL ASSOCIATION OF WIC DIRECTORS

NAWD

Statement of Mary K. Kassler
President

National Association of WIC Directors

before the
Subcommittee on Elementary, Secondary and Vocational Education of the House Education and Labor Committee

Tuesday, February 23, 1993

Mr. Chairman and Members of the Committee:

I am Mary Kassler, President of the National Association of WIC Directors (NAWD). I am also the State WIC Director for Massachusetts. I am pleased to have the opportunity today to discuss legislation (HR 8) that would extend the Special Supplemental Food Program for Women, Infants and Children, known as WIC, under the administrative jurisdiction of the Food and Nutrition Service (FNS) of the United States Department of Agriculture (USDA), through 1998, under the Child Nutrition Act of 1966.

I commend you, Mr. Chairman and the Committee for your continuing support for the WIC Program and your intense interest in the health and welfare of our nation's women, infants and children.

NAWD Experience and Organizational Goals

Founded in 1983, and headquartered in Washington, DC, the National Association of WIC Directors (NAWD) is a non-profit voluntary organization of state and local WIC Program directors and nutrition coordinators. **NAWD** has a unique perspective on the operation of the WIC Program. Our members are dedicated to maximizing WIC Program resources through effective management practices. **NAWD** is committed to making the WIC Program more responsive to the nutrition and health needs of women, infants (defined by WIC as 12 months of age and under) and children (defined by WIC as ages 1 to 5 years).

Among **NAWD**'s goals are: effective national resource networking to facilitate the communication of ideas, materials and procedures to individuals working in the WIC community; the promotion of good management practices; peer assistance to WIC Program directors at the state and local level; the promotion of improved health, well-being and nutrition status for women, infants and children; and to act as a resource to government on issues relevant to the WIC Program and to the health and nutrition of women, infants and children.

WIC Program Background

In fiscal year 1992, the WIC Program served approximately 5.3 million participants per month. Currently, the Program is estimated to serve approximately 5.6 million participants per month in the 50 Geographic States, the District of Columbia, Virgin Islands, Puerto Rico, Guam and in 32 Native American States. It reaches out to over one-third of the nation's infants.

Eligibility for WIC benefits requires that WIC health professionals document potential participants' health or nutrition risk. Potential participants must demonstrate that their family income does not exceed 185% of the Federal poverty income guideline. Preference for service is generally given to pregnant women and infants with at risk nutrition or health conditions. A lower priority is assigned to children and postpartum mothers at risk of nutrition or health consequences.

Among nutritional risk problems which can qualify participants for eligibility are: abnormal weight gain during pregnancy; a history of high-risk pregnancies; growth problems in children and infants such as stunting, underweight, or obesity; anemia; or an inadequate dietary pattern.

Services are delivered through a variety of local social service agencies or health clinics which have access to health care providers. Today, there are over 8,200 clinics providing WIC services nation-wide.

WIC's Benefits

WIC provides eligible participants with supplemental foods, nutrition education, breast-feeding promotion information and improved access to the health care delivery systems.

Because the Program is a nutritionally based education program, local agencies offer WIC participants at least two nutrition education sessions, conducted on either an individual or group basis, within each six month certification period. Through these sessions, participants learn about their specific nutritional needs as well as the nutritional needs of their infants and children. Participants are taught how to shop for nutritious foods and how to prepare economical, well-balanced meals. They are also counseled on the importance of regular medical care, the advantages of breastfeeding infants and the dangers of drug and alcohol use during pregnancy.

The WIC Program also provides supplemental foods through monthly food packages which are tailored to meet the special dietary needs of the infants, children, pregnant, postpartum and breastfeeding women in the program. Foods in the packages are selected to provide protein, iron, calcium, and vitamins A and C. These nutrients have

been selected as they have been found to be missing from the diets of many low-income women, infants and children. Among the authorized foods provided in the supplemental food packages are: iron-fortified infant formula, infant cereal, milk, eggs, cheese, iron-fortified breakfast cereal, Vitamin C-rich juice, beans and peanut butter.

WIC's Success Record

Recent evidence of the WIC Program's successes in improving pregnancy outcomes has contributed significantly to its popularity. WIC has generated enthusiastic supporters in the nation's corporate board rooms and vigorous bipartisan support in both houses of the Congress.

Numerous private and public sponsored studies of the WIC Program have demonstrated that WIC is a highly successful program that has achieved significant positive health consequences in a cost-effective manner.

According to a USDA study conducted in five states -- Florida, Minnesota, North Carolina, South Carolina and Texas -- and released late in 1990, each dollar spent on pregnant women in the WIC program saves from $1.77 to $3.13 in Medicaid costs for mothers and infants in the first sixty days after birth. A later study calculating the Medicaid savings used the full cost of an illness that started within 60 days after birth, regardless of length, revealed an even greater savings of between $1.92 and $4.21 for each prenatal dollar spent by WIC.

Still other studies have indicated that pregnant women on Medicaid who receive assistance through WIC are less likely to deliver premature or low birth weight babies. They are more likely to have healthier babies. These benefits result in enormous Medicaid savings and reduced federal and state health care spending.

In a May 1992 release of a General Accounting Office (GAO) report, GAO estimated that in 1990, the federal government spent $296 million on prenatal WIC benefits resulting in a savings of $853 million in health-related expenditures for WIC infants during their first year of life. On this initial investment, GAO estimated, the total savings in health and education related expenditures over a child's 18 years of life amounted to over $1 billion.

Another study published in the "Journal of The American Medical Association" (September, 1987) demonstrated the efficacy of WIC in significantly reducing the prevalence of anemia and in reducing rates of height and weight abnormalities among children. While a study published in "The New England Journal of Medicine" (November, 1985) indicated a marked reduction in the levels of iron deficiency among children who had participated in the WIC Program.

3

Clearly, these studies and others suggest that failure to enroll all eligible participants in the WIC program actually costs the federal government far more money than is saved. The WIC Program is essential to ensuring that all our nation's children are physically, emotionally and developmentally ready for the challenges they will face as this nation moves to place itself in a more competitive position in the 21st century. The WIC Program is essential to meeting this goal. But WIC is not currently available to the majority of the nation's eligible one to five year old children.

Corporate America Commits to WIC

In recent testimony before the House Budget Committee, the Chief Executive Officers of Prudential Insurance Company of America, AT & T, Honeywell, Inc., BellSouth Corporation and Sky Chefs, Inc., were unanimous in their support of WIC full funding by 1996. As Sky Chefs, Inc., CEO William S. Woodside put it:

> **"WIC is a prevention program that works extremely well. How can we justify failing to proceed expeditiously to extend WIC to all women and children who qualify for it? Children born today and in coming years will make up an increasingly large part of the workforce that will sustain our economy ... for much of the first half of the 21st century. Our neglect of these children not only damages them - it is counterproductive for our society."**

Current funding levels allow roughly sixty percent of the nation's 8.7 million eligible women and children to participate in the WIC program. States have made every effort to maximize the use of WIC funds to increase participation levels. Further adjustments in food benefits could jeopardize the quality of services. Clearly, the need for full funding of the WIC program can be demonstrated.

Funding Issues

Inspite of a nearly three fold increase in funding for the program over the past ten years, and an almost 150% increase in the number of participants served, WIC still falls far short of reaching all of those mothers, infants and children who are at nutritional or health risk and eligible for the program.

Administration Request

Last week, in his Economic Message to the Nation, President Clinton proposed funding increases for WIC which reflects a fundamental commitment to the welfare of women, infants and children whose economic conditions may not provide the kind of nutrition needed for good health and normal growth. I commend the President for his commitment to phasing in full funding for the WIC Program by fiscal

year 1996. I am excited about his commitment to a special appropriation of $71 million for this fiscal year and his plan to provide subsequent increases in appropriations of $318 million in FY 1994, $532 million in FY 1995 and $800 million in FY 1996. I urge every member of Congress to support this proposal and help to place all of America's children on an even footing to face the future.

NAWD Full Funding Proposal

The National Association of WIC Directors recommended in 1991, that the Executive and the Congress adopt a five year plan to move the WIC Program incrementally toward funding "full participation" by fiscal year 1996. I am delighted that this Administration supports our view and has chosen to move forward aggressively with this message in its economic plan. As the Congress considers full funding for the WIC Program I urge you to: maintain the program's focus on nutrition; maintain the program's reputation for providing quality services by allowing states to incrementally add caseload thereby preventing undue burdens on WIC clinics, undue hardship for participants, avoiding service delays and potentially long waiting periods; maintain the Program's targeting and tailoring capabilities; and exempt WIC from all budget balancing legislation or agreements.

Other Legislative Proposals

In addition to NAWD's Full Funding Proposal and the Association's support for the Administration's Plan to Fully Fund the WIC Program, NAWD proposes that states be permitted to carry-forward or spend-back three (3) percent of the total federal grant payment versus the current allowable limit of 1 percent. The current carry-forward/spend-back provision does not include rebates. The NAWD proposal also does not include rebates.

This proposed change to three (3) percent would serve as an excellent management tool, enhancing states' abilities to more effectively manage and stabilize caseload at maximum levels. This, in turn, would reduce the possibility of drastic caseload increases or reductions. When drastic changes occur, participants may have to be removed from the program in the summer only to be put back on the program in October when more funds are available. This is a disservice to the women, infants and children we serve.

Often, young children are removed from the program mid-way through their certification to satisfy budgetary constraints. A more flexible carry-forward/spend-back provision would not force WIC managers to use children as pawns to balance program budgets. Because inflation is erratic, the current one (1) percent carry-forward/spend-back provision does not provide sufficient management flexibility to effectively and efficiently manage the program. The carry-forward/spend back provision applies to federal funds only.

Because States may receive as much as one-third of WIC funds from infant formula rebates, the effective result is a carry-forward of less than one percent of the total WIC funding in any given year. This leaves WIC managers with an ineffective tool with which to manage the program.

Most federal programs have a multi-year grant expenditure. This proposal would place the WIC program more in line with other grant programs managed by state agencies.

NAWD also proposes to allow states the option to carry-forward/spend-back five (5) percent of the total federal food grant during the first year if there is a significant reduction in the amount of rebate revenues. Current language allows only for increases in rebate revenues. The current United States Department of Agriculture working definition of significant increase is fifteen (15) percent or more in rebate revenues. This definition should also apply to a decrease in rebate revenues.

NAWD proposes that at least $2 million of those funds which are available to the Secretary for the purpose of program evaluation (currently one half of one percent, not to exceed $5 million) be made available to states in the form of special projects grants. These grants would be available on a competitive basis to all states for special projects of up to two years in duration. Qualifying projects would have regional or national significance and be directed toward improving the services of the WIC Program. Under this proposal, states should have a minimum of two years to expend grant resources and complete approved projects.

In keeping with a recommendation from the WIC National Advisory Committee, NAWD urges Congress and the Administration to authorize states the option to use food dollars to buy manual or electric (with disposable accessories) breast pumps.

Breast pumps are a clear benefit for participants. They assist breast-feeding mothers to continue providing healthy mother's milk for their infants in spite of timing constraints or logistical considerations caused by employment, school or other considerations. Breast milk is considered the healthiest and best source of nutrition for infants.

This proposal would exclude the purchase of shells, pads, or similar devices. Electric pumps would be loaned to participants.

Conclusion

In conclusion, Mr. Chairman, the NATIONAL ASSOCIATION OF WIC DIRECTORS, NAWD, looks forward to working with you and the members of the Subcommittee and Full Committee as you consider this legislation to extend the WIC Program. NAWD's Executive Director, Douglas Greenaway, the members of the Board of Directors and I

stand ready to assist you in any way possible during this process. Again, thank you for the opportunity to come before you today. I will gladly respond to any questions you may wish to address to me or provide you with supplemental information as you require.

Mrs. UNSOELD. Mr. Hughes?

Mr. HUGHES. Thank you. Thank you, Madam Chairperson.

My name is Charles Hughes, and I am the chairperson of the International Union of the American Federation of State, County, and Municipal Employees, the School Advisory Committee. Many of our members are here with us this midday for their first time. I am also president of Local 372 of the New York City Board of Education Employees. We serve about 700,000 school lunches and breakfasts every day.

Madam chairperson, I am not going to bore you will all of this written material that we have. It has been entered into the record, in terms of our former position, on the good work that all of you have done.

Now, two of my best friends have just left this room, but I do want to say that when I first appeared before this committee I asked a simple question: Could God's name be used in these great chambers? Chairman Kildee said yes, and so did Chairman Perkins.

As I hear the wind whistling in these big windows, it sort of reminded me that Chairman Perkins must be looking down here today, saying what a well job that you are doing.

To my other friend who is a good Republican from the great State of Pennsylvania, Mr. Goodling, I just want to let you know—and being that you are sitting in for them, I want you to convey this message to them. Tell them that I stood on the banks of the Sea of Galilee. After 21 years, being in Israel in 1992, I stood on the very site on the west side of the Sea of Galilee where there is a Catholic Church that faces the west, the only one in all of Israel that does that.

As I stood there I remembered the scripture that said that there was a man who stood there and took a child's lunch and fed a multitude. So when I look at the Chairman and Mr. Goodling, I have to say that they are just like that man who stood on the banks of the Sea of Galilee—to feed the children of this Nation.

I also want to state to you that as I looked upon this committee this morning, and now this afternoon, that we see a lot of females here. I am glad to see that, because as I went through the trail of Moses in terms of his need to lead his people to freedom—some people don't talk about Miriam who was a great advisor to him. There are so many women on this committee now, I know that these strong men who held the fort for us will continue to do the right thing for these children. I welcome all of you.

Let me just say that joining me today in this presentation, if there are any formal questions, is Tom Jennings, Veronica Costa, Ed Jayne, and Lorraine, who is here from our International Union and District Council 37 to assist me.

Let me say to all of you, that in terms of coming here after 12 long years of trying to bring justice and fairness to our people, that we finally have arrived to the Promised Land. To be able to hear the Secretary come before this committee and to receive the kind of applause that he did, in terms of saying that we are going to give you a few more dollars, made our hearts feel very good because we knew then that the work that we have done is speaking for us.

I think that the work that you have done has spoken. I do believe that you will make the difference in terms of the kind of quality education, the kind of quality meals that our children—the next generation, the lifeblood of all of us—will have a fair chance to maximize their potential.

I know that the hour is getting late, and I know that Chairman Kildee said that I was his spiritual leader, but you know when the man who did stand on the banks of the Sea of Galilee started, he only started with 12 disciples. I would certainly like to say that the men who really lead this fight along with them, Chairman Ford, is like the three wise men who came to make sure that they brought the gifts for the Prince of Peace.

Today, I join my colleagues at the American School Food Service Association who have been with us, been there speaking for the children, and whose leadership has brought to these chambers the kind of information, the kind of support, and the kind of creativity that makes this program work, I want to thank them for caring not only about the children, but the workers who every day after getting into those hot kitchens, when the sweat is running down their legs, to make sure that our children get the nutrition that they deserve.

I hope that this H.R. 11 that is sponsored by our great Congressman George Miller, from California, will be the one that we will be able to say to the world that we care about our children, and that no child, irrespective of his or her economical background, will be denied the opportunity to participate fully in the school lunch program.

In conclusion, let me say that this Congress has always seen fit to allow a child to get on a school bus, irrespective of whether they were a millionaire's son or daughter or a poor farmer's daughter or son, to ride that bus, irrespective of where they come from. Why can't we do it for the Food Service Program of this great country?

When we talk about the books in our school system, they don't say, "We are only going to give the books to the kids who are poor." They say "We are going to give the books to everybody." I do believe that this nutritional act, H.R. 11, attempts to do that. I would hope, though, that they would push it up a little bit. The reason I ask you to push it up a little bit is because we are going to lose somebody.

I remember the man who was in that boat, you know, and everybody was a little bit doubtful about the fishing. He told them, "Throw your net on this side of the boat," and they caught a lot of fish. I am hoping that you will listen today. Please throw the net out a little earlier than the year 2000. I don't know whether our children can afford it.

I love you. May God bless you. Thank you for listening to my presentation. I will answer any questions you may have.

[Applause.]

[The prepared statement of Charles Hughes follows:]

STATEMENT OF CHARLES HUGHES, CHAIRPERSON, AFSCME SCHOOLS ADVISORY COMMITTEE, PRESIDENT, LOCAL 372, NEW YORK CITY, BOARD OF EDUCATION EMPLOYEES, DISTRICT COUNCIL 37, NEW YORK, NEW YORK

Good morning Mr. Chairman and distinguished Members of the committee. My name is Charles Hughes. I am the Chairperson of the American Federation of State, County, and Municipal Employees' [AFSCME] School Advisory Committee, which represents 150,000 members.

I am also President of Local 372, Board of Education Employees, District Council 37, in New York City. Our members staff the Nation's largest school feeding programs in terms of both student participation and employees. On an average day, our members serve about 700,000 breakfasts and lunches.

It is a privilege for me to testify once again before this committee. During the many years that I have advocated improved child nutrition programs, I have been moved by the committee's sensitivity and commitment to our Nation's children, and more particularly, by your steadfast support of child nutrition and the National School Lunch and Breakfast Programs.

It is now almost half a century since the interrelationship between America's national security and the nutritional well-being of its youth was recognized. After significant numbers of World War II recruits failed their physical due to dietary deficiencies, lawmakers enacted the National School Lunch Program which specified the congressional policy intent as being ". . . a measure of national security, to safeguard the health and well-being of the Nation's children."

Fifty years later, America's national economic security is threatened by nations whose workforces outperform ours and whose schoolchildren outachieve ours. While parents and educators have always known that hungry children do not learn, the interrelationship between good nutrition and a child's ability to achieve in the educational setting has been well documented only recently. At a time when child poverty is on the rise—between 1979 and 1990 child poverty in the United States grew by 26 percent—and educational achievement is declining, the child nutrition programs become more crucial than ever before.

In just three years, we will celebrate the 50th anniversary of the National School Lunch Act. However, I am here to tell you, Mr. Chairman, that we are continuing to lose ground in our efforts to safeguard the health and well-being of the Nation's children. Recently, the USDA reported that there are 4.2 million eligible poor students who are not applying for free or reduced-price meals.

Although much has been done to rebuild the National School Lunch and Breakfast Programs after the Reagan administration's draconian cuts, the participation rates are far lower than their peak in 1979. Two million more children and 2,700 more schools participated in the school lunch program in 1980 than did in 1990. And, while 200,000 more students are enrolled in the School Breakfast Program today than were in 1981, only one-sixth of the children who eat school lunch also eat a school breakfast and less than 40 percent of the schools that offer the lunch program also offer the breakfast program. Currently, 24 million children are served by the school lunch program. This represents less than 60 percent of the children who attend schools participating in the program. Far fewer children, only 4 million, participate in the breakfast program. Other countries do a far better job of feeding their schoolchildren. For example, Japan serves 98.2 percent of its elementary schoolchildren a school lunch.

The programs that we have worked to build are threatened. Federal subsidies have declined while costs, including indirect expenses and cost of administrating the program, have increased. USDA "bonus" commodities have disappeared. And, the administrative procedures have become vastly more complex. These are all contributing to the steady decline in participation by both schools and students in the feeding programs. Approximately 90 schools dropped out of the program in the 1989–1990 school year and more did so in the past two years.

This comes at a time when local and State governments, still mired in a multiyear financial crisis made deeper by the recent recession, have also been forced to reduce their support. In the fiscal year, 1991–1992, States and local governments, faced with a combined deficit of over $50 billion, eliminated programs, froze payrolls or laid off workers and raised taxes, fees, and tuition at public educational institutions. In 1980, the last time that data was collected, Federal contributions to the school lunch program covered approximately 50 percent of the program's total cost. The remaining 50 percent was shared equally by State and local contributions [about 25 percent] and children's meal payments.

Mr. Chairman, I am here today to tell you that unless we take bold action there is a risk that the National School Lunch and Breakfast Programs will ultimately be

available only in the schools with a very high proportion of low-income students, probably less than 15 percent of all the schools who now participate. This would deny access to many low and moderate income children who are enrolled in the other 85 percent of all schools.

In previous appearances before congressional committees, I have proposed that the Congress consider enacting a universal school lunch and breakfast program in order to insure that the school feeding program remains as a broad-based nutritional support program available to all schoolchildren. I have been heartened by the progress which has been made in bringing attention to that proposal. I especially wish to commend Congressman George Miller for introducing legislation, the Universal Student Nutrition Act, H.R. 11, to give every school in the country the option of providing a universal school lunch and school breakfast program to each child in the school by the year 2000.

A universal program has obvious benefits. It would remove the welfare stigma which is now associated with the program for students who receive free or reduced-price meals. It would help State and local governments who are laboring to comply with the many Federal mandates which were passed in the 1980s without accompanying Federal dollars. It would guarantee that all hungry children are provided with the nutritional tools for learning. It would relieve school personnel from focusing on income verification and accountability. In sum, it would remove the administrative barriers which now impede both students and schools from participating in the program.

Mr. Chairman, my union and its dedicated school workers stand ready to work with you to develop a universal school feeding program. Serious problems challenge the continued success of the school lunch and breakfast programs. However, by working together I am confident that when we celebrate the 50th birthday of the National School Lunch Act in 1996, we will truly be proud that the American schoolchildren are getting the nutritious meals that they need to learn.

I would be happy to answer any questions that the committee may have.

Thank you.

Mrs. UNSOELD. I will express on behalf of the committee our thanks for your being here and to tell you that you are down to the hard core, the staff, but they are probably in many ways the most important people in the room. I think I am going to miss the opportunity to vote on the Journal today, this being a little more important.

I do have a couple of questions. What are some of the causes of the schools to drop out of the program? I am dismayed to notice in the statistics that my own State is in the bottom 10. What goes into that decisionmaking when they decide to drop out?

Ms. MCPHERSON. I think there are primarily four factors that have brought schools to this decision. The first is the loss of the financial support, on the loss of the bonus commodities which had underwritten a lot of the pressures, the payment of indirect costs, and that has had a major increase in the last few years as school districts have looked wherever they could to find additional income for other costs in the school system, and more paperwork.

One of the things that has made child nutrition particularly vulnerable in this area is that as the laws and regulations are now, child nutrition programs have an unrestricted, indirect cost factor. We are the only federally supported program support for education that has an unrestricted factor in that. Usually, this means that we pay five times as much as the restricted rate that is paid for programs such as Chapter 1 and those in the Elementary and Secondary Education Act.

Mrs. UNSOELD. Do you other two want to answer?

Mr. HUGHES. Well, I think that one of the reasons we have dropped out is because we don't encourage kids to participate in the menu planning. I mean, they are the consumers. I know that

our union has developed incentives for children who participate in poster contest drawings not only because it teaches them communications, but it also teaches them the importance of nutrition. We give them Kodak cameras or some little gift to show that your doing this is appreciated.

I think the scheduling of the hours is one problem that we have in terms of having full participation. I think in many areas you have groups that will come in and begin to kill the program for many reasons, that either they don't like the person who is running it, or some school board members they don't like. That is why I am so strong on the Universal Nutrition Act, because what it will do, it will encourage schools to open its facilities earlier than it normally does. I do believe strongly that the school systems shouldn't just be for educational purposes as we traditionally know educational curricula.

To me, education is the whole community. You can have after-school programs, snacks. We have talked about the one to five children, the WIC program, Women, Infants, and Children, which I think is a fabulous program. We have also got to protect those kids who didn't get that, and there are millions who did not get that. I think the grants and the speed-up of those grants that's going to take place is going to encourage many administrators to come in and open those schools to make sure that our children have some hot food, nutritious food.

My wife is in the room, Shirley Hughes, and she can tell you that when she cooked for Martin and Cherise, that she didn't cook scientifically on a nutritional level. That is no reflection of her good cooking now, because I've got to eat next week.

[Laughter.]

Mr. HUGHES. The fact is, she didn't. If you've got working mothers today—and there are a lot—then we ought to make sure, tied to that, that their children are going to be safe, have proper nutrition, and in an atmosphere that is conducive to maximize their learning capabilities.

I think, again, I feel so humbled this morning, or this afternoon, knowing that I am speaking to people who care. You have got a different presentation when people don't care, and God knows you care. I think that if we can work in small groups, as we have, with the Agriculture Department and some of your staff people in a forum maybe a little different than this, that we can present to you a program that will not only make you proud, but make the children of this great Nation proud.

Mrs. UNSOELD. Thank you. Do any of you have any experience with pilot programs for the universal school lunch program, and do you know whether there is an offset in overhead costs or paperwork costs that help to reduce the overall expenditure?

Ms. MCPHERSON. I can speak to you about some of the things that have gone on in pilots. I don't have with me the statistics that I can quote to you to tell you exactly what has happened. We have had the universal pilots that USDA authorized that have had very good results.

Just this week, we have learned that in a special opportunity, because of Hurricane Andrew, that some schools in the Florida area had universal meals during a period of time, and their participa-

tion increased very dramatically. At the end of that time when they had to go back to all of the collection procedures and all of that, the participation went back to where it was before.

We have learned of a number of school systems that are instituting universal pilots on their own at the local level because they are so convinced of the need. They are able to do this only where they have high participation now of free and reduced-price students, but they are getting very good results. All of the results that we are getting indicate that it really could make a significant difference, especially for the stigma that is there and the paperwork and all that is involved in administrative time.

Mrs. UNSOELD. Mr. Hughes?

Mr. HUGHES. Yes. In New York, we have experimented in District 1 and District 9, that's approximately 2 years. While we can't accurately give you all the figures today, we can say that the stigma that used to exist between the haves and the have-nots is gone. You can't put a price tag on that, Madam Chairperson, because as we see our country try to unfold for its greatness, we have some very dark spots, too. Those dark spots, many of them start when we differentiate between the kids who can afford to eat and the kids who cannot.

I think one of the great things that I like about coming here—and I don't use the Lord's name in vain, I just don't do that—is that you have attempted to eradicate in a very short time some of the ugliness that exists in our society. We sort of sometimes, knowingly or unknowingly, teach our children the bad things about other people. Just because Johnny or Jane does not have a blouse or a pair of jeans as nice as someone else has, it creates a class problem.

We believe that the experiments that we have done in District 1 and in District 9 in New York City have been very positive. We know that the attendance is up, which brings money itself. If we are going to talk about a cost situation, I think, one will balance it out, balance out the other, based upon its financial piece, but the social and the moral piece is the piece that makes those children all feel equal while attending the public or parochial school system in which this program exists.

On that, I would hope that we would increase the awareness of the Summer Feeding Program for our children. If you do that, you are going to find that crime is going to be less during the summer because children will be engaged in an institution and a program that will keep their minds and hands busy. It is at a time when schools normally are closed, but usually in New York City we get the schools open for that summer program. Again, impact on working mothers, impact on other children who may be out of school.

God knows, if we can get that one- to five-year-old in the WIC program and Head Start, put it all together, I can assure you, unlike General Motors or Ford, we can't guarantee you a car for 1993 and 1994, a Mark, a Victoria, or whatever they call them, but we can say to you that if you invest in these children and give them these tools that they need, I believe that you will have a Rolls Royce of children within the next 10 years, if these programs are implemented the way that we are suggesting.

That is why I love Mr. Goodling. I really do. People don't think I say that to be true, but I do. Because they stood when no one else would stand, to say that we are going to do something about nutrition and the impact that it will have on quality education.

We believe that the universal experiments that we have had in District 1 and District 9 are very positive, the results have been very good, and the participation has been excellent.

Ms. UNSOELD. On behalf of Chairman Kildee, I want to thank all of our witnesses for joining us this morning. Your participation will be very helpful to us as we begin to put together the 1994 Child Nutrition Reauthorization. I appreciate the dedication that you all have in ensuring that our Nation's children are adequately fed.

The hearing record will remain open for 2 weeks to allow for additional submissions. Thank you very, very much for coming today.

The meeting is adjourned.

[Whereupon, at 12:30 the subcommittee was adjourned subject to the call of the Chair.]

[Additional material submitted for the record follows.]

TESTIMONY OF

SOCIETY FOR NUTRITION EDUCATION
AND
THE NATIONAL ASSOCIATION OF STATE N.E.T. COORDINATORS

FOR THE
SUBCOMMITTEE ON ELEMENTARY, SECONDARY & VOCATIONAL EDUCATION
UNITED STATES HOUSE OF REPRESENTATIVES

FEBRUARY 23, 1993

The Society for Nutrition Education (SNE) and the National Association of State Nutrition Education and Training (NASNET) Program Coordinators, ask your subcommittee to support the inclusion of nutrition education and the National School Lunch and Breakfast Programs as vital components of elementary and secondary education throughout the nation. It is well documented that students who eat breakfast perform better on tests, have better attendance and fewer disciplinary problems. School breakfast and lunch make good sense. We all know that any child who is not well nourished cannot be attentive or learn.

The Nutrition Education and Training (NET) Program educates young children, their parents, and all school personnel, including food service employees. NET focuses on the school food service and classroom as a laboratory for nutrition education. Our professional societies, SNE and NASNET, believe in integrated nutrition services for all children regardless of family income, and we strongly support efforts to increase school and student participation in the National School Lunch and Breakfast Programs.

From the White House Conference on Nutrition twenty five years ago, policy makers learned that a lack of nutrition knowledge can contribute to a child's rejection of highly nutritious foods. This conference identified the need to create opportunities for children to learn about the importance of the principles of good nutrition in their daily lives and how these principles are applied in the school cafeteria. In 1977, Congress authorized the NET Program and made proper nutrition of the nation's children a matter of highest priority. These findings persist today. In fact, the current philosophy statement for NET restates this commitment. *The Nutrition Education and Training Program (NET), through its local, state and federal partnerships, provides leadership in promoting healthy eating habits to improve the health and well-being of our nation's children. NET integrates mealtime and learning experiences to help children make informed food choices as part of a healthy lifestyle.*

Two goals from the Department of Health and Human Service's Healthy People 2000 also emphasize the importance of healthy eating among our nation's children: 1) *increase to at least 75 percent the proportion of the nation's schools that provide nutrition education from preschool through 12th grade, preferably as part of quality school health education,* and 2) *increase to at least 90% the proportion of school lunch and breakfast services and child care food services with menus that are consistent with nutrition principles in the Dietary Guidelines for Americans.*

NET has trained thousands of teachers, school food service personnel, and other educators, and provided opportunities for children to learn about good food habits in the classroom and through the school food service. However, these efforts to encourage sound nutrition habits at an early age are handicapped by the current situation. Many school meals

do not meet the *Dietary Guidelines for Americans*. financial administrative resources needed for nutrition education are scarce, and participation in the school meal programs is declining.

Programs throughout the country have achieved remarkably impressive accomplishments. Each state develops nutrition education projects that meet their separate and diverse needs, identified in a state needs assessment. This flexibility allows nutrition education messages to reach the greatest number of children in each program. NET services may include lending libraries, production of video tapes, integrated teaching teams, train-the-trainer programs and in-service training for educators and food service personnel. Other emphasis has been placed on children with disabilities and special nutritional needs, pregnant teens, and student athletes. NET continues to concentrate on those health entities that involve all children from child care through twelfth grade. The following are but a few examples of NET funded activities.

Wisconsin sponsored a statewide satellite conference titled *Healthy School Lunches: Your Choice in the 90s*, identifying the role of key school personnel as well as discussing the challenges faced by the school in meeting the nutritional needs of children. A task force of agencies offering nutrition education materials to schools was established to look for ways to more effectively provide nutrition resources to school personnel. Leadership is provided by the NET Program.

In **Ohio** a universal breakfast program was piloted with NET funds and remarkable results have occurred. By making the pilot program available to all students, student participation also increased in the school lunch program. Student participation in the breakfast program continues to be strong even at the end of the pilot program. A "Nutra Buddy" activity funded by NET in West Alexandria, Ohio, matched second graders and high school nutrition students for class activities promoting healthy eating practices. This program was recognized as an Excellence in Nutrition Education Award at the 1992 annual meeting of the Society of Nutrition Education.

California undertook a major campaign entitled *Child Nutrition: Shaping Healthy Choices* in 1989. This campaign was designed to introduce children to dietary practices that promote health, reduce risk of chronic disease, and provide for optimal learning, growth and development. Additional marketing plans have been an outcome of this initiative. As part of the campaign the California Department of Education conducted an Implementation of the Dietary Guidelines for Americans survey of all school nutrition programs.

The highly acclaimed elementary program, *Nutrition Comes Alive*, developed in **New York**, integrates nutrition into other subject areas such as math, language arts, science, fitness and music. A year ago, the secondary program, *Nutrition for Life*, developed jointly by Cornell University and the New York State Departments of Health and Education, received the

National Nutrition Education Award from the American Home Economics Association. Supplementing these programs, NET will soon be releasing new materials reaching preschool, special education, school feeding and after school audiences. These are but a few examples of successful NET funded activities.

These projects are some of NET's successes, the following are some obstacles to success. The current funding procedure for the NET Program weakens on-going program planning. Allowing states to carry-over up to 20 percent of their funds into a succeeding fiscal year would make for more efficient use of funds. This practice is currently allowed in the Women, Infants, and Children Program and the National School Lunch Program. It is often three months into the federal year before NET appropriation amounts are available to states. This delay is complicated by individual state fiscal years, and tight time-frames for obligating funds and establishing programs. Carry-over of funds would allow minimum funded states, as well as other states, to combine funds for developing much needed training resources and curricula and other projects not otherwise possible under the present authorization schedule. Effective programming requires planning and involvement to ensure success.

A requirement for adequate state staffing is recommended to strengthen the services provided by the NET Program. To meet the nutrition educational needs of children, minimum levels of staffing are required. To be eligible for NET funding, it is recommended that a state appoint a full-time nutrition education specialist to serve as a state coordinator. However, for those states receiving minimum level funding, it is recommended that no less than one-half of a full-time equivalent be appointed. Any state receiving double the minimum funding shall appoint no less than one full-time equivalent. NET programs need full-time staffing for planning, and providing quality nutrition education activities and services to diverse audiences throughout a state.

Schools form the heart of a community. Perhaps no other segment of the educational system has more possibilities for community service than child feeding and nutrition education programs. Although there are many influences on children's eating habits, there are few opportunities to learn about food and nutrition than from school. School lunches and breakfasts that meet dietary guidelines reinforce the nutrition messages learned in the classroom. Through providing nutrition information to parents, food offered at home improves. The Society for Nutrition Education and the National Association of State Nutrition Education and Training Program Coordinators believe that schools invest in our future when children learn through *knowledge and experience* how to make healthy food choices.

SNE SOCIETY FOR NUTRITION EDUCATION

HEALTHY EATING FOR OUR NATION'S CHILDREN - SUPPORT NUTRITION EDUCATION AND TRAINING

The Society for Nutrition Education, National Association of State Nutrition Education and Training (NET) Coordinators, California NET Coordinator, American School Food Service Association, Food Service Management Institute, and American Dietetic Association ask you to be a part of the leadership in promoting healthy eating habits of our nation's children. This goal can be achieved by supporting nutrition education and service of nutritious meals and snacks in schools and child care institutions. Through the Child Nutrition Programs, the NET program integrates mealtime and learning experiences to help children make informed food choices as part of a healthy lifestyle.

The Nutrition Education and Training Program was first authorized November 10, 1977 for $26 million for Fiscal Year 1979. Funding dropped to $5 million in early 1980 and built up to $10 million for FY 1993. Over the past fifteen years, NET has produced significant accomplishments: millions of school children now can choose healthier diets, thousands of teachers regularly include nutrition lessons in the classroom, and thousands of school food service personnel offer children more nutritious meals. But we can do better.

To enable more children to eat healthfully and more schools and child care institutions to offer meals that meet the Dietary Guidelines, we recommend the following changes to NET:

- Include **child care institutions** as recipients of NET services,
- Create a more **efficient funding system** for NET,
- Provide a **minimum of 50 cents per child enrolled** in schools and child care institutions,
- Cover some direct federal expenditures for **federal evaluation** and technical assistance,
- Establish **minimum state staffing requirements** based on the funding level for each state, and
- **Coordinate** comprehensive health education programs with NET.

Additional groups that support the Nutrition Education and Training Program include:

Association of State and Territorial Public Health Nutrition Directors
Bread for the World
Children's Foundation
Food Research and Action Center
National Consumers League
Public Voice

Headquarters: 2001 Killebrew Drive, Suite 340 • Minneapolis, Minnesota 55425-1882 • (612) 854-0035 • FAX (612) 854-7869
Public Policy Office: 1723 U Street N.W., Washington, DC 20009 • (202) 659-1858 • FAX (202) 387-5553

Printed on recycled paper.

H.R. 8, TO AMEND THE CHILD NUTRITION ACT OF 1966 AND THE NATIONAL SCHOOL LUNCH PROGRAM, AND RELATED CHILD NUTRITION MATTERS

WEDNESDAY, JULY 21, 1993

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ELEMENTARY, SECONDARY,
AND VOCATIONAL EDUCATION,
COMMITTEE ON EDUCATION AND LABOR,
Washington, DC.

The subcommittee met, pursuant to call, at 10 a.m., Room 2175, Rayburn House Office Building, Hon. Dale E. Kildee, Chairman, presiding.

Members present: Representatives Kildee, Sawyer, Reed, Becerra, Green, Woolsey, English, Strickland, Payne, Goodling, Gunderson, McKeon, and Petri.

Also present: Representative Mazzoli.

Staff present: Susan Wilhelm, staff director; Dennis Fargas, budget analyst/professional staff member; Margaret Kajeckas, legislative associate; June Harris, legislative specialist; and Lynn Selmser, professional staff member.

Chairman KILDEE. The Subcommittee on Elementary, Secondary and Vocational Education convenes this morning to discuss H.R. 8, the bill to reauthorize expiring programs under the National School Lunch and Child Nutrition Acts and related matters.

Undernourished children are less physically active, less attentive and less independent and curious; they are more anxious and less responsive socially and cannot concentrate as well. As a result, their reading ability, their verbal skills and their motor skills suffer.

The child nutrition programs play a vital role in combating childhood hunger and ensuring that children are able to take advantage of the lessons offered them in the classroom. As a former classroom teacher, I know that very, very well.

Many have heard me tell a story about that, which I will not repeat this morning, but I directly saw the relationship between good nourishment and learning.

Today's hearing will focus on three programs authorized under these Acts which have proven themselves effective tools in the fight against hunger and undernutrition in our young people, the Summer Food Service Program, School Breakfast Program, and the

Child and Adult Care Food Program. We will also hear about the important issue of milk bid-rigging in the child nutrition programs.

Before I introduce our witnesses, I would like to recognize my good friend and the ranking Republican member of both the full committee and of this subcommittee, his credentials in this area, again, are golden, Mr. Goodling.

Mr. GOODLING. We used to say that Chairman Perkins was the father of school lunch and I was the son of it. I don't know what that means, but that is what I used to hear.

I am pleased that the subcommittee is beginning, I would imagine, an extensive series of hearings on the Child Nutrition Act of 1966. I have been very close to that for a long, long time.

In fact, as you know, was it last week, we had that interesting debate on the floor where some child nutritionist was upset because we say you must offer whole milk, we don't say you have to drink it, and he thought that was terrible and I said, oh, boy, coming from the Agriculture Committee, that is interesting. You have sent us cheese until it has come out of our ears. You have sent us hamburger that is full of fat until it has come out of our ears, and you have sent us peanut butter as fat as anything there is until it is coming out, not only our ears but every other area, and you would talk about a little bit of milk that some kid might drink, unbelievable.

But nevertheless, the issue today is one that really I suppose caught me by surprise. I always assumed that the 12 years I was drinking school milk that it was watered down because it always tasted like the skimmest, skimmest milk there was, but I didn't know anybody was rigging any bids or anything of that nature to provide us with that.

So I am looking forward to the hearings. Unfortunately we have a markup in foreign affairs at the same time, which is not across the hall today. For some reason or other it is over in H-139, so I will be in and out, and thank you, again, Mr. Chairman, for holding these hearings.

[The prepared statement of Hon. F. William Goodling follows:]

STATEMENT OF HON. WILLIAM F. GOODLING, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. Chairman, I'm very pleased that our subcommittee is today initiating what I'm sure will be an extensive series of hearings leading to the reauthorization of the National School Lunch Act and the Child Nutrition Act of 1966.

I see that we are being timely in that our subcommittee will hear recommendations on how we may improve the conduct of the Summer Food Service Program as well as that of the School Breakfast and Child and Adult Care Food Programs. I understand that we owe a debt of gratitude to the Food Research and Action Center for the assistance they provided our staffs as they sought to bring us a cadre of witnesses with considerable expertise in the conduct of those programs.

I also want to thank you, Mr. Chairman, for giving us an initial opportunity to learn more about a subject which has in recent months attracted the interest of the media and gained considerable exposure: the presence of a wide range of anticompetitive activities in the sale of milk and other foods to be used by schools in the conduct of our school-based meal programs. I understand from our staff that while the antitrust division of the Justice Department was unable because of time constraints to join our witness from the General Accounting Office this morning, the division has offered to brief us at a later date on the role it has played in prosecuting milk bid rigging and price fixing cases in the last few years. I look forward to both presentations.

Chairman KILDEE. Thank you, Mr. Goodling, and I do know you have other responsibilities in your position and it may be a secret meeting over in H-139. They usually do some mysterious things when there is an H before the number there.

So bring us back the news that is happening in the world today on that.

STATEMENT OF HON. DONALD M. PAYNE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

Mr. Chairman, thank you for calling this hearing today to discuss the Child Nutrition Act and the National School Lunch Act.

This hearing is very important because we need to assess our priorities to help shape a healthy future for our country's children.

The historical basis for these programs exemplifies its dedication to the health and well-being of all children. The National School Lunch and the Child Nutrition Acts were developed to serve a broad range of social welfare interests—agriculture, health, education, and income support.

For example, more lower income children receive free or reduced price meals under child nutrition programs than receive food stamp benefits, and aid to the school breakfast and lunch programs is the second single source of Federal aid to the Nation's elementary and secondary schools.

School lunch and breakfast programs benefit the child, school and the entire country. These programs prepare children for learning; fight childhood hunger; enhance long-term health for Americans; provides an incentive for children to go and STAY in school; and uses the school nutrition program as a basis for nutrition education.

It is interesting to note that in Japan, which views child nutrition programs as an integral part of the education day, serves 98.2 percent of its elementary schoolchildren a school lunch every day. However, the United States only serves 60 percent of our students.

I believe that we could integrate school nutrition into the total educational process. **Hungry children do not learn.** I would like to thank our panelists in advance for their participation, and I look forward to hearing all of their testimony.

Chairman KILDEE. I have been involved with the school lunch program since 1954 when I became a teacher. That was a long time ago, wasn't it? When I came to Congress in 1976, I came to this committee and tried to expand the school lunch program. I worked with Chairman Perkins and with Mr. Goodling. I remember that Winter of Discontent starting back in 1981—well, actually it started even before then, but in 1981 it was exacerbated by a proposal to make some cuts in this school lunch program, and redefining certain things in school lunch, such as the famous definition of ketchup as a vegetable. We all used that as a great weapon to try to defend the school lunch program. The history is very interesting.

But I think nutrition is just essential. Mankind, humanity, is a mixture of body and spirit and unless we nourish the body, the unique characteristic of mankind, humanity, cannot flourish. The ability of humanity to think, to resolve, to seek solutions for problems, to progress, to build a better society, that unique characteristic of humanity to change one's environment, to build a more moral society, cannot take place unless the body is nourished, and that is why the school lunch program is so important.

Our witnesses today are Nancy H. Ford, Specialist in Nutrition Education, Summer Food Service Program, Delaware Department of Public Instruction; Lisa Hamler-Podolski, Coordinator, Community Food and Nutrition Programs, Ohio Hunger Task Force; Linda Locke, Assistant Director, Community Coordinated Child Care, Louisville, Kentucky, where we had a hearing not—several years

ago really, have to go back again some time; and Robert A. Robinson, Associate Director, Food and Agricultural Issues, Resources, Community and Economic Development Division, the General Accounting Office.

If they want to come forward to the table, we can begin the testimony.

Before we begin the testimony, I have to make this announcement: I serve on several subcommittees. At some point, I will have to go upstairs, to room 2261, and give testimony on my own bill.

I have worked my testimony down to about 3 minutes so I won't be missing here very long, so hopefully under the courtesy of the House, they won't ask me any questions on my bill, just take my testimony. I will be right back and at some point someone else will take the Chair.

So we will begin our testimony then with Nancy H. Ford from Delaware, whose State I hope to visit soon.

Nancy.

STATEMENTS OF NANCY H. FORD, SPECIALIST, NUTRITION EDUCATION, SUMMER FOOD SERVICE PROGRAM, DELAWARE DEPARTMENT OF PUBLIC INSTRUCTION; LISA HAMLER-PODOLSKI, COORDINATOR, COMMUNITY FOOD AND NUTRITION PROGRAMS, OHIO HUNGER TASK FORCE; LINDA LOCKE, ASSISTANT DIRECTOR, COMMUNITY COORDINATED CHILD CARE; AND ROBERT A. ROBINSON, ASSOCIATE DIRECTOR, FOOD AND AGRICULTURAL ISSUES, RESOURCES, COMMUNITY AND ECONOMIC DEVELOPMENT DIVISION, GENERAL ACCOUNTING OFFICE, ACCOMPANIED BY JIM FOWLER AND DALE WOLDEN

Ms. FORD. Good morning, Mr. Chairman, Representatives.

My name is Nancy Ford and I work for the Department of Public Instruction. I am the education specialist for the Summer Food Service Program and I also am the nutrition education specialist for the children of Delaware.

I am very pleased this morning to be able to assist you in effecting the Summer Food Service Program regulations so that we can reach more of our needy children here in our Nation. The Summer Food Service Program is a very important program. It is designed to feed needy children high quality, nutritious meals during the summer when school is closed. It follows children wherever they are in the summer. It goes to parks, recreation centers, playgrounds, enrichment programs, such as the Upward Bound Program held on college campuses, and the National Youth Sports Program, also held on college campuses.

It even follows needy children into their communities, be they urban or rural areas.

There are 13.2 million children who, during the school year, participate in the school lunch program. However, unfortunately, the summer lunch program has only reached a national average of 15 percent of our Nation's children.

I am very proud of our record in the State of Delaware, for we have reached over 70 percent of our needy children and our largest program is indeed in the rural area where children are hard to reach.

We have incorporated in Delaware what I have recently called the Delaware Plan. The Delaware Plan seeks to incorporate already working government structures and entities to enhance the summer lunch program. We currently have working with us the Division of the Visually Impaired Business Enterprise Program which has trained many visually, mentally and physically handicapped persons to do various skills.

We have found those skills available to be incorporated in our summer lunch program because among those skills they have developed a staff of food specialists who we have now incorporated to prepare the lunches for the children. With this plan in place, we have employed 157 visually, mentally and physically handicapped persons. We have employed an additional 62 community persons who are now meal preparation assembly line persons. We have trained them and given them that skill in a food plant that is located in Delaware, and we indeed invite you, Representative Kildee and Representative Goodling, to visit these places this summer, for I think it is very important that you see the work that this summer lunch program budget has put together in the State of Delaware.

We have also made, for your interest, a 10-minute video that gives you a picture of rural poverty in Delaware and how we as a State have managed to reach the children in the rural part of our State.

One of the major areas of the regulation that I feel would help to increase the participation of children in the rural program is to reduce the necessary, the now 50 percent to 40 percent, the criterion for establishing sites in the Summer Food Service Program. There are two ways to document a feeding site eligible for the summer food program.

One is an enrolled site, which is an enclosed program, usually with a roster. 50 percent of those children individually must be determined needy children in order that we feed the whole group.

Then we have our open site, one in which 50 percent of the children in the area are eligible. The documentation of an open site is much more accommodating for a sponsor, especially if the sponsor is in an urban area. However, if a sponsor is documenting a rural area, 50 percent is indeed a task and poverty—pockets of poverty are generally not 50 percent of a given area. They are usually very much a percentage on an area basis.

Therefore, it would help greatly if we could amend the regulations to reduce the percentage of need to 40 percent. This also would coordinate with the school lunch regulations which feed the severe needs in the School Breakfast Program. Any school program feeding 40 percent of their children in the program are eligible for the severe rate, which is an additional rate for the breakfast program.

So in trying to bring the summer lunch more closely related to the school lunch program, I have suggested a figure of 40 percent so that we can get our school programs more interested in the summer lunch program.

Another area that would be helpful in promoting the summer lunch program would be to eliminate the special restrictions on the private nonprofit sponsors so that they may operate Summer Food

Service Program sites and assist in reaching children in remote areas.

Nonprofits were restored in the Summer Food Service Program in 1989, but there are so many restrictions that handicap their participation. Those handicaps are: Limits on the number of sites a nonprofit sponsor may operate, a limit to the number of children at each site a nonprofit may operate, a nonprofit cannot contract for food from a commercial vendor, and nonprofits receive more monitoring than other sponsors in the program.

Also there is a 1-year wait required before a private nonprofit sponsor can pick up a feeding site dropped by another sponsor. Also private nonprofits are least on the list of priorities when a decision is to be made on which type of sponsor will operate a feeding site. In my somewhat limited experience in Delaware, private nonprofits have performed about the same as other sponsors.

A Government Accounting Office study issued in 1991 has confirmed my own observations. I don't see any reason that private nonprofits should receive any different treatment than other sponsors of the same size and experience.

In order to encourage sponsors to set up more feeding sites, a start-up grant is suggested, that $1,000 per new site be made available to sponsors who are developing sites to assist them in putting in place the required supervision for meals to children, the transportation to the site, children to the site or food to the children, and also activities that are necessary whenever you are bringing children together for any reason.

This $1,000 per new site grant would be available to a sponsor, up to $2,500. This is the same format that assisted in expanding the School Breakfast Program. I would like to see this incorporated in the summer lunch program regulation so that we can encourage more site development among the summer lunch potential sponsors.

Another area that handicaps our sponsors is the use of budget moneys that come in two different areas. One, the operating cost, secondly, the administrative cost. The operating cost today are $2 and 4¼ cents for every lunch served to a child, and 19—19½ cents for administrative cost for every lunch served to a child.

Blending these two rates and allowing the sponsors to use their moneys for the various expenses of the program and allowing up to 15 percent of that money to go into administrative salaries and other administrative expenses would be helpful for sponsors who are constantly laboring over do I have enough money to do what I need to do to create sites in the summer lunch program.

Combining the rates would give sponsors more flexibility in allocating costs and a better chance to break even financially while maintaining protection against too much money going to administrative cost.

The cost of transportation has been a burden to many sponsors and also has been a reason why many sites in the rural area have not been served. In order to assist this problem, I am suggesting that 75 cents per child be allowed for rural transportation. One example of rural transportation in the State of Delaware that has caused our program to be successful in serving children in remote areas is that we have incorporated what we call a mobile site.

The mobile site is simply a bus that drives up to communities that are difficult to serve for one of many reasons. One reason, septic tanks are not put in the community and the community is so very unsanitary that it is not safe for children to eat in the area where their houses are placed.

We therefore bring a mobile site into the community, have the children board the site. They eat lunch right there in a safe environment, a clean environment. After they have eaten lunch, they are allowed to return to their communities. We currently have, are able to operate just one of these mobile sites. It is costing that program $70 per day to feed 400 children breakfast and lunch.

Many times we need our mobile site because the same problems that have hit the urban environment are now touching upon our rural communities, the problems of drugs, fighting, all of those things that occur in some of our low income communities are also occurring in rural communities.

Mobile sites have assisted in helping children to eat in a safe environment away from those endangering forces that children may meet that would be detrimental to their health.

I would also like to suggest an increase in the State administrative budget by guaranteeing each State $35,000 and by increasing to three the percentage of program money above $400,000 allocated for State administration. In many States there is not enough administrative money to hire a full-time summer food specialist. I myself am a specialist who is in a State who has divided my time, 50 percent for the Summer Food Service Program, 50 percent for the Nutrition Education Training Program.

It is a very, very difficult task to get everything done. Many people feel that because the summer lunch program operates in June, July and August, that the specialists need only do program matters in June, July and August. Many of our State organizations see my job as only a part-year job.

I am here to tell you today that summer lunch never, ever, ever stops and many times goes into the next year. I have outlined here some of the things that must be done by month for the summer lunch program.

In the fall, reports on the summer's activities in assisting sponsors with the closeout of the financial and program reports. In December, a State plan is made, is written and prepared for the governor and submitted to the USDA. In January, an outreach process is put in place with the presentations, advertisements and news releases necessary.

In February, notification to the food service management companies go out, and so the training for those companies begin and a very long and arduous application process to ensure that they are indeed reputable vendors that we will be referring to our sponsors.

February to April, the approval process for vendors, including inspections and licensing, to develop a list of approved vendors for sponsors. For this process, I incorporate the services by law at 1 percent cost of the total program, the Delaware Health Department, and we meet several times to make sure vendors are updated, that sanitary inspections are intact.

We coordinate with the out-of-State health departments to make sure that our vendors have all of their deficiencies intact before we are able to approve them to operate in the State of Delaware.

In April it is time for training of all sponsors and vendors. There is no time to plan your training. You just go ahead and train. It is an all-day training session and after being in the program for many, many years, many of these things become magic.

I am very happy that I have 16 years of experience in this program and can roll through these processes very readily, however, there are many, many things that I wish to do in the program as developing more activities for sites, developing more nutrition education programming for sites.

This is an excellent opportunity, the Summer Lunch Program is an excellent opportunity to reach children in many, many ways besides bringing nutrition assistance, and sometimes with the amount of time that we have available, we are not able to do as much as we hope, and we say that we are going to do each year. We do incorporate our bookmobile. We do incorporate the cooperative extension services.

We do incorporate the Expanded Food and Nutrition Program, another program of the USDA, and all of these programs are willing to come out to the sites and present to our children. By May 6 the sponsor applications are due with review and notification of approval no later than June, and by May and June, sponsors are hiring and training part-year staff to help supervise and monitor the summer program. And because we are such a fast-paced program, we have to do continual training to the part-year staff that we bring in to operate our programs, to man our sites, to learn the rules and regulations of the program. In short, it is a great program, but it needs the full annual attention of at least one full-time person.

There are many other legislative and regulatory recommendations that I would like to make, and as I have said before, I have brought with me today a 10-minute video documenting hunger in the State of Delaware and I do hope that each of you will take an opportunity to see this 10-minute presentation. I think it will give a picture of poverty and let you realize that it is very necessary to have a summer lunch program.

Another thing that makes you know it is very necessary and very appreciated is the smiles and the looks of the children when they receive the lunch.

Thank you very much.

Mr. GREEN. [presiding] Thank you, Ms. Ford.

[The prepared statement of Nancy Ford follows:]

STATEMENT OF NANCY FORD, EDUCATION SPECIALIST, SUMMER FOOD SERVICE PROGRAM FOR CHILDREN, DELAWARE DEPARTMENT OF PUBLIC INSTRUCTION

Good morning, Mr. Chairman, Representatives. My name is Nancy Ford and I work with the Delaware Department of Public Instruction. I am very pleased to be here this morning to talk about the Summer Food Service Program for Children, and some of the changes I think should be made to better serve the Nation's children.

The Summer Food Service Program for Children is a very important program. It is designed to feed needy children a high quality, nutritious meal while school is closed. It follows children wherever they are in the summer . . . to parks, recreation

programs, playgrounds, enrichment programs such as the Upward Bound Program or the National Youth Sports Program. It even follows needy children into their communities, be they urban or rural for the purpose of providing them nutritious assistance.

There are 13.2 million children who, during the school year, depend upon the free and reduced price Lunch and Breakfast Programs. It is necessary that they continue to receive this nutritional assistance throughout the summer. Many of these children would go hungry without the Summer Food Program.

I'm proud of our record in Delaware. Our participation record is almost five times the national average. But I'm sorry to have to tell you that last year only 15 percent of our Nation's children participating in the free and reduced School Lunch Program participated in the Summer Food Program.

We can do better as a Nation. We have to do much more to recruit sponsors to operate feeding sites. I have several suggestions that I'm submitting to you in writing on how to expand participation while maintaining accountability in the Summer Food Program. For now I would like to specifically address six or seven of those recommendations.

1. CHANGE THE CRITERION TO OPEN A FEEDING SITE BY REDUCING FROM 50 TO 40 THE REQUIRED PERCENTAGE OF FREE AND REDUCED PRICE SCHOOL LUNCH CHILDREN IN THE AREA.

There are two ways to document a feeding site eligible for the Summer Food Program. An *enrolled site*, an enclosed program with a roster, is one in which 50 percent of the children have been individually documented to be eligible for a summer lunch using free and reduced price school information.

An *open site* is one in which 50 percent of the children in an area are eligible. The documentation for an open site is obviously much easier. In fact about 90 percent of all participating children are in open sites. Any effort to expand Summer Food participation must be focused on area documentation for open site eligibility.

Initially, 33⅓ percent was the criterion, but that percentage was increased to 50 percent in 1981. As a result of that change many poor children are denied the opportunity to participate in Summer Food because they do not live in large pockets of poverty. This is especially true in rural areas and newer cities whose neighborhoods are not as economically segregated as they are in older cities. Also, a school district may be serving many low income children that don't comprise half of the school's population.

Many people want to restore the 33⅓ percent criteria, because it would make more children eligible. I certainly do not oppose restoring the 33⅓ criteria. I chose 40 percent primarily because it is the criteria for severe need in the School Breakfast Program. I want us to standardize regulations for school nutrition programs and Summer Food as much as possible to encourage the participation of schools as Summer Food sponsors.

We have only a rough estimate of how many children would be affected by this change, but there is little doubt that we could do nothing else that would have as much impact as this change on expanding to reach more of our hungry children. [I understand that USDA has asked the Census Bureau for a cost estimate for doing a tabulation that would tell us precisely how many children could be brought into the program as a result of lowering the criterion from 50 to 40 percent. If USDA does order the tabulation the data would be available by September].

2. ELIMINATE THE SPECIAL RESTRICTIONS ON PRIVATE NONPROFIT SPONSORS

As you know private nonprofit organizations were fully restored as potential Summer Food Program sponsors in 1989 in order to increase the number of feeding sites available to poor children. However, special restrictions were placed upon private nonprofits at that time.

There are limits on the number of sites a nonprofit sponsor may operate, as well as the number of children at each site. There is a prohibition against contracting food services from commercial vendors. Heavier monitoring is required. There is a one-year wait required before a private nonprofit sponsor can pick up a feeding site dropped by another sponsor. And private nonprofits are last on the list of priorities when a decision is being made on which type of sponsor will operate a feeding site.

These restrictions have served as barriers to participation by discouraging private nonprofits from taking on sponsorship of Summer Food and have also encouraged a bias against private nonprofits among some of my colleagues in other States. In my own somewhat limited experience in Delaware, private nonprofits perform about the same as other sponsors of the same size and experience. A Government Accounting Office study issued in 1991 has confirmed my own observations. I don't see any

reason that private nonprofits should receive any different treatment than other sponsors of the same size and experience.

3. ESTABLISH A STARTUP GRANT PROGRAM FOR DEVELOPMENT OF NEW SITES

The proposal would be for USDA to make available to States money to provide $1,000 for each net gain of one new site [total new sites minus lost sites], with a maximum of $2,500/sponsor, to help a sponsor defray the developmental costs for starting feeding sites after the sponsor has been approved by the State. The sponsor would have to make a two-year commitment to operate the site to receive the grant.

The startup grant program has been very successful in expanding the School Breakfast Program and could be a real incentive for sponsors to develop new sites and expand participation of children.

4. COMBINE THE ADMINISTRATION AND OPERATION RATES WITH A MAXIMUM OF 15 PERCENT OF TOTAL EXPENDITURES GOING TO ADMINISTRATION

Currently sponsors are reimbursed up to $2.0425/lunch for operating costs and up to $0.195 for administrative costs. *Operating costs* are those incurred in the preparation and distribution of the food. *Administrative costs* are those incurred in the management of the program such as office expenses, administrative salaries, and insurance.

The separate rates system was designed to prevent too large a portion of costs going to administration and not enough going to the service of high quality meals to the children. In calculating reimbursement, sponsors receive either the maximum rate I just mentioned or actual cost—whichever is less.

Currently for most sponsors the reimbursement is less than their actual costs. For those who do spend less than the rate allowed it is almost always in the operational costs category. Combining the rates would give sponsors more flexibility in allocating costs and a better chance to break even financially, while maintaining protection against too much money going to administrative costs.

5. ESTABLISH A SEPARATE RATE/CHILD FOR RURAL TRANSPORTATION OF UP TO $0.75/CHILD, OR ACTUAL COST WHICHEVER IS LESS

Currently the two major barriers to increased participation in rural areas are: [1] the 50 percent requirement for open area sites which I've already discussed and recommended lowering to at least 40 percent, and [2] the lack of money for transportation.

Obviously children are more scattered in rural areas. Getting to a feeding site is problematic for low-income children in these areas. It is also expensive for sponsors to get the food to and operate. In the State of Delaware we are using a "mobile" site to serve some rural sites that do not have the sanitary conditions for meal consumption. [This being no septic systems or no area where eating can take place.] The "mobile" site, a bus that children board just to eat, is costing $70/day and services 400 children during the meal service hours.

While I'm sympathetic to the argument that we should not spend more on rural children than urban children—and make no mistake about it, providing rural transportation is expensive—providing no transportation means very little participation in rural areas.

6. INCREASE THE STATE ADMINISTRATIVE BUDGET BY GUARANTEEING EACH STATE $35,000 AND BY INCREASING TO 3 THE PERCENTAGE OF PROGRAM MONEY ABOVE $400,000 ALLOCATED FOR STATE ADMINISTRATION

In many States there is not enough administrative money to hire a full-time Summer Food Specialist. To successfully expand the program we must have a full-time person. Currently the formula for administrative money is based upon decreasing the percentage of administrative funding as program money spent in the State increases. [Program money means the money going to sponsors to feed the children.] For all program money going to a State above $400,000, 2½ percent is allocated for administration. If we expanded that to 3 percent it would generate more administrative money for a full-time specialist, while serving as an incentive for expansion.

The obvious question that this proposal raises is why we need a full-time staff person when the program only operates in the summer. It is true that the Summer Food Program operates primarily in the months of June, July, and August. However, this fast-paced program is governed by all of the USDA regulatory requirements that apply to the other child nutrition programs, and then some. The Summer Food Program must be geared up and put in place each year. Therefore, there is no lull

in our activities during the year. To illustrate this point, let me detail for you the highlights of a year's schedule:

Summer months—Program in operation

Fall—Reports on the summer's activities and assisting sponsors with the closeout of the financial and program reports.

December—State work plan is prepared and submitted to USDA

January—Outreach process is put in place, with the presentations, advertisements and news releases

February—Notification of food service management companies [the vendors] of their application process

February-April—Approval process for vendors, including inspections and licensing, to develop list of approved vendors for sponsors

April—Training for all sponsors and vendors

May 6—Sponsor applications due with review and notification of approval no later than June

May-June—Hiring and training part-year staff to help supervise and monitor the summer program.

In short, it's a great program, but it needs the full-time annual attention of at least one full-time person.

7. OTHER LEGISLATIVE AND REGULATORY RECOMMENDATIONS

I have several other suggestions for legislative changes that I will submit to the subcommittee in writing, as well as a number of regulatory and policy changes. I am also aware of your time constraints and I will conclude my comments here. Just let me say once again thank you for giving me this opportunity to speak with you and I will be happy to answer any questions you may have.

Mr. GREEN. Our next witness is Lisa Hamler-Podolski.

Ms. HAMLER-PODOLSKI. Podolski.

Mr. GREEN. I am okay with Hispanic names from Texas, it is the ones from the north central——

Ms. HAMLER-PODOLSKI. My name is Lisa Hamler-Podolski and I serve in the capacity of the statewide community food and nutrition outreach coordinator for the Ohio Hunger Task Force.

I would like to thank Chairman Kildee, Representative Goodling and members of the Subcommittee on Elementary, Secondary and Vocational Education of the Committee on Education and Labor for the opportunity to come to you today and speak about the School Breakfast Program.

The Ohio Hunger Task Force has been involved in numerous child nutrition programs over the course of our 22-year history. We have a mission which clearly states we are in place to eliminate hunger in the State of Ohio. Unfortunately, our job has grown much larger.

We are involved not only in direct feeding programs, but as well education and outreach, expanding other child nutrition programs. We currently feed over 10,000 children and in over half of the 88 counties in Ohio are in family daycare homes. This is a child nutrition program of the Child and Adult Care Food Program.

We also provide evening meals in the Outside School Hours Meal Program, also another program of the child and adult food care program, to over 500 low-income children up through age 12 in conjunction with educational and recreational activities.

Much about the child nutrition reauthorization programs that you will hear are very important to us and Linda will address during her presentation of the child and adult care food programs.

Two years ago, the Ohio Hunger Task Force embarked on a statewide effort to expand the School Breakfast Program. We know

that hungry children do not learn. Our efforts have resulted in the new passage of legislation that will provide additional State dollars to the breakfast program.

I am here today to share with you our experiences and offer suggestions in four areas that could further facilitate expansion of the School Breakfast Program on a nationwide basis.

The first area is funding of nationwide pilots for universal breakfast programs in elementary schools where 60 percent or more of the children are eligible to receive free or reduced priced meals. The second area is reauthorization at a level of $5 million annually of the Federal school breakfast start-up grants.

Our third area of concern is the elimination of the cost accounting regulations that are mandated for severe need reimbursements. And the fourth is reinstatement of the School Food Service Equipment Assistance Program that was eliminated in 1981.

I have supplied to you, along with copies of my testimony, an implementation and expansion guide which we developed in the State of Ohio to distribute to teachers, school food service personnel and administrators who have the power to make the determination about whether this program will be implemented or expanded in your area—in their areas.

I encourage you to refer to this implementation and expansion guide if you have any questions about how the current program operates. Numerous studies, as Chairman Kildee said, have documented the direct relationship between eating a nutritious breakfast and the increased educational achievements.

The reverse is true as well, as Chairman Kildee pointed out. Children who begin the day without breakfast demonstrated a steady decline in their attention during the late morning hours and negative attitudes towards their schoolwork, also a drop in scholastic achievement.

Many studies have come forth also further documenting that participation by low-income students is associated with significant improvements in standardized achievement test scores, reduced tardiness rates, and tended toward improvement in absenteeism.

I would like to share with you one of the Ohio school district's experiences in piloting a universal breakfast program. Hamilton City school district is located in Butler County, a very rural, depressed county. Currently about 75 percent of their students are eligible to receive free or reduced priced meals. Unfortunately, many of the children are too embarrassed to participate.

The school food service director, feeling a need to further expand the program and reduce the stigma that was attached to the program, decided to implement a 1-month universal pilot breakfast program. She felt that the current breakfast program had been cast as a welfare program and many administrators in the district viewed the program only for the needy and neglected children.

The fundamental goals behind implementing this universal breakfast program was a desire to eliminate stigma of the program and the determination to implement a fair and just program that all students would feel good participating in.

Faced with overwhelming obstacles and barriers, the school food service director applied for and received a nutrition education training grant program. The elementary school, Van Buren, would

provide a free meal to all students who chose to participate. Van Buren had been operating a School Breakfast Program for many years in compliance with Ohio's State school breakfast mandate, but only around 100 of the 400 students were participating in the program on an average day, although 67 percent of the students enrolled were eligible.

Van Buren's principal of 14 years knew that nutritious meals before classes by students had direct results on their performance. They performed better and he welcomed the opportunity to implement the program.

At the end of the first week of operation, the results were startling. Participation had increased by over 100 percent. The teachers were seeing a big difference in their students. Students participating in the program were more alert and ready to learn than those who were not participating.

As the cost of the program was evaluated, it was determined that the program was not operating as a—at a deficit as had been anticipated. Participation, again, had increased within the first week by over 100 percent. It eliminated the stigma, therefore many of the children who were already eligible to participate free were now involved in the program.

What we did find out is although the program was open to all children, only about eight children a day who would have normally paid were participating in the program. The remaining increase, again, came from those who were already eligible to receive the subsidized meals.

Why is this so important? That was in October of 1992. What we have found after implementing this universal breakfast program, which has now been expanded to eight of the other 13—eight of the other 13 elementary schools that achievement test scores have skyrocketed. Test scores for fourth graders noted that 57 percent of the students ranked in the top 50 percent nationwide compared to only 29 percent in the previous school year. This was in reading comprehension.

In language arts, 59 percent of the students ranked in the top 50 percent nationwide compared to only 23 percent in the previous year. I would say that alone is a reason to explore universal breakfast programs.

School breakfast just makes good sense. Students that are happy and content and are more prepared to learn. They aren't sitting in their morning classes with their stomachs growling, waiting for lunch. Response to their program has been favorable. Not only has the community come forth and rallied around with support of the program, but parents stated—many of them stated that they knew that their children were already eligible to participate free or at a reduced cost, but their children chose to go without a meal rather than risk being seen in the cafeteria participating in the program.

Children don't want their friends and their teachers to know that their families are receiving food stamps or on public assistance. These are the hard choices that children are making, choosing to go hungry in order to salvage their pride and their dignity. Teachers reported a big difference in their students.

The children were more settled and ready to learn. They were no longer sending children to the nurse's office because they were

hungry. This caused a large disruption in the classrooms and also further embarrassed the children. Principals stated that children were less disruptive and there were fewer disciplinary problems than before. Stomachaches and headaches were virtually eliminated as the program was implemented.

Again, the commitment of just one person brought this about. Her name is Linda Vaupel. This effort has blossomed into a districtwide effort. If Linda were here today, she would say one thing to you, as a Nation, we cannot afford to neglect a generation of children and let them fall through the cracks and holes of government regulations and rules that are antiquated and punitive.

These children are our future and they will be caring for us and our grandchildren some day. Planning again is currently underway to expand the program to the district's remaining elementary schools, which brings me to my second subject, the Federal school breakfast start-up grants.

Hamilton City schools will be able to expand this program because they received Federal school breakfast start-up grants. Unfortunately, tens of thousands of other schools across this Nation will not be so fortunate. This authorization has expired. Without this authorization, there will be limited growth of this program in future years.

Federal school breakfast start-up grants have been available on a competitive basis since its passage in 1989. Grants permit schools to purchase critically needed equipment, to support preparation of the additional meals service. It also allows local school food service authorities to do local community outreach and promotion of the special programs—of the new program, all of which are critical to maintaining a successful program.

In return, the school must agree to operate the program for a period of 3 years. In Ohio, what has it meant to us? It has meant $232,000 of Federal school breakfast start-up grants have been received by schools in our State. During the fourth round, 14 new programs were started.

What does it mean when the school doors open for the 1993–1994 school year? That children in 54 buildings in our State will now have access to a breakfast program. Again, without Federal funding to support new breakfast programs, it is unlikely that school districts or State legislatures will have additional revenues to continue this expansion effort.

The third area of concern that has restricted widespread growth of the program are the cost accounting regulations mandated for severe need reimbursements in the breakfast program. Currently the national school lunch program operates on a different accounting principle and requirements, allowing schools that qualify for severe need to receive the full reimbursement.

However, current breakfast program regulations require schools to document through costly—cost accounting procedures and practices what their actual per meal costs are. Reimbursements are then paid at the actual per meal cost, not at the higher reimbursement rate as with the National School Lunch Program.

Food service directors shy away from this program due to the two-tier reimbursement system currently in place. Most school food service directors will quickly add that unless the restrictions and

requirements are changed, they aren't interested in implementing this program. They won't take any chances that might jeopardize their lunch programs by placing additional burdens on equipment that is currently held together in many cases with tape and wire, which brings me to my fourth point.

Again, numerous directors have stressed that the breakfast program is desperately needed for children in their schools, but equipment, much of it 30 to 40 years old, would not hold up under the additional demands of the increased meal service. Directors report that equipment is extremely expensive to repair because parts are no longer available and replacement often requires very costly tooling, manufacturing procedures, or modifying other parts to fit current existing equipment.

Reinstatement of the School Food Service Equipment Assistance Program would have an immediate impact on the expansion of the School Breakfast Program by addressing this equipment shortage.

In closing, I would like to reiterate the following School Breakfast Program recommendations for consideration in the 1994 Child Nutrition Reauthorization Act: One, funding of a nationwide pilot of universal breakfast programs in elementary schools where 60 percent or more of the children receive free or reduced price meals; reauthorization of the Federal breakfast start-up grants at a level of $5 million annually, elimination of the cost accounting regulations mandated for severe need breakfast reimbursements, and reinstatement of the School Food Service Equipment Assistance Program.

Thank you for permitting me the opportunity to speak to you concerning the breakfast program.

In concluding, the tools exist to prevent childhood hunger. There is no reason that we as a country should be mortgaging our children's futures by allowing proven programs to go underutilized and/or underfunded. The child who cannot learn because he is hungry, the child who cannot concentrate on her stomach—excuse me, cannot concentrate on her studies because she is concentrating on her stomach are waiting for the answer.

I hope the answer is one of hope. I would also like to conclude by asking you to picture this: You have just left for school, your stomach begins to growl, you feel a little weak, your stomach hurts, you are overcome with nausea.

You arrive at school and sink down at your desk feeling sick and scared. You lay your head on the desk. The cool surface against your face has a soothing effect as you fall asleep. Lunchtime arrives. Your hunger will at last be satisfied, or will it? You stop and wonder, what will my friends say, what will they think? What will they say about my family?

You are poor and everyone will know. Will you step to the cafeteria counter being forced to compromise your pride and dignity when you present your lunch card? Your card is clearly different. Other students are paying for their food. No, you decide no, I can't go in there. I don't want others to see me use this card. Lunchtime ends.

You head to your afternoon classes. You can't concentrate, you have a headache. School is out, heading for home, all you can do is think about food. Your stomach begins to growl. Reaching your

house, you know that there isn't much in the refrigerator, no goodies stashed away in the cupboard. Welcome to your world. Always hungry in the morning, at lunchtime, after school, hoping to have just something for dinner.

Your only hope of escape is your education. It is being compromised. Unable to concentrate, your grades fall. Your education, the foundation of your future, is slipping away. Millions of children are waiting for an answer. We hope it is one of hope and justice.

Thank you.

Mr. GREEN. Thank you for your testimony.

[The prepared statement of Lisa Hamler-Podolski follows:]

A LESSON IN HUNGER

A participant at an anti-hunger conference told the story of a staff member who tried to explain the problem of hunger to an elementary school class, and who got a lesson in it himself.

To introduce the subject, the man asked the children how many had eaten breakfast that morning. As he anticipated, only a few of them raised their hands.

So he continued, "How many of you skipped breakfast this morning because you don't like breakfast?" Lots of hands went up.

"And how many of you skipped breakfast because you didn't have time for it?" Many other hands went up.

He was pretty sure by then why the remaining children hadn't eaten, but he didn't want to ask them about poverty, so he asked, "How many of you skipped breakfast because your family just doesn't usually eat breakfast?" A few more hands were raised.

Then he noticed a small boy in the middle of the classroom, whose hand had never gone up. Thinking the boy hadn't understood, he asked, "Why didn't you eat breakfast this morning?"

The boy replied, his face serious. "It wasn't my turn."

Photo By Robert Studzinski

Testimony on 1994 Child Nutrition Reauthorization
School Breakfast Program
July 21, 1993

Chairman Kildee, Representative Goodling and members of the Elementary, Secondary and Vocational Education Subcommittee, of the Education and Labor Committee. Thank you for inviting me here today and providing the opportunity to shed light on the tragedy of childhood hunger. My name is Lisa Hamler-Podolski, I serve in the capacity of Statewide Community Food and Nutrition Program Coordinator for the Ohio Hunger Task Force (OHTF). Ohio Hunger Task Force is a private, not-for-profit, anti-hunger organization, with the mission to eliminate hunger from the State of Ohio.

Ohio Hunger Task Force is proud to serve as the Ohio coordinator for the Campaign to End Childhood Hunger, a national campaign launched in 1991 by the Food Research and Action Center of Washington, DC. The Campaign to End Childhood is the most ambitious, sustained and coordinated effort ever undertaken to eliminate hunger in the United States. The fundamental premise of the Campaign is that childhood hunger can be virtually eliminated in this country by strengthening an array of nutrition programs already in place, including WIC, School Breakfast, Summer Food Service Program for Children, Child and Adult Care Food Program and the Food Stamp Program.

Ohio Hunger Task Force is one of relatively few organizations nationally that provides both direct feeding programs and hunger education and advocacy. Ohio Hunger Task Force is the states largest sponsors of the Child and Adult Care Food Program (CACFP) in Family Day Care homes. Each day in over half of Ohio's 88 counties, about 3,000 family day care providers feed an average of 10,000 children, the majority of whom are from low income families.

Our After School Meals Program, also a program of CACFP, serves nutritious meals to an average of 500 low-income children through age 12, in conjunction with approved educational and recreational programs, after school, on holidays, and during the summer months.

Two years ago, we embarked on expanding Ohio's School Breakfast Program, to ensure that more low-income children start the school day ready to learn. Our efforts have resulted in passage of new legislation that will provide additional state funding to the breakfast program.

I am here today to share with you our experiences and to offer suggestions in four areas that would facilitate expansion of the School Breakfast Program nationwide.

The following recommendations for the 1994 Child Nutrition Reauthorization are as follows:

1. **Funding of nationwide pilots of "Universal School Breakfast Programs" in elementary schools where 60% or more of the students receive free or reduced price school meals.**

2. **Reauthorization of the Federal School Breakfast Start-up Grant Program at a level of $5 million on an annual basis.**

3. **Elimination of cost accounting regulations mandated for "severe need" breakfast reimbursements.**

4. **Reinstatement of the School Food Service Equipment Assistance Program that was eliminated in 1981.**

I have provided to you today along with my written testimony, Breakfast-Fundamental to a Good Education, A Guide to Implementing and Expanding the School Breakfast Program in Ohio produced by the Ohio Hunger Task Force. This guide will assist you in understanding why we as a nation must ensure that children who arrive hungry at school each day, are fed.

Numerous studies have documented the positive relationship between eating a nutritious breakfast and increased educational achievement. The reverse of this is true as well. Children who begin their school day without breakfast demonstrated a steady decline in attention during the late morning hours, a negative attitude toward their school work, and a drop in scholastic achievement.

A recent study conducted in 1987 by researchers from the Boston University School of Medicine in Lawrence, Massachusetts, showed that School Breakfast Program participation by low-income students is associated with significant improvement in standardized achievement test scores, significant reduced tardiness, and a trend toward improvement in absenteeism. The Lawrence study compared test scores of children in one year when their school had no breakfast program to scores of the same students in the following year when they participated in the newly initiated breakfast program. The findings of these studies are strong arguments to support the fact that a nutritious breakfast would assist every student in their daily learning process.

I would like to share with you one Ohio school district's success story of providing a Pilot Universal Breakfast Program and the direct results that were achieved.

Hamilton City Schools is the 15th largest district in our state. This district has a high percentage of students who are eligible to receive free and reduced priced meals. School officials reported that about 75% of the eligible students were bypassing the breakfast program, because they were too embarrassed to participate.

Linda Vaupel, Food Service Director for the Butler County district, saw that many children and their parents felt stigmatized by accepting free or reduced price meals available through the School Breakfast Program. She felt that the program had become cast as a "welfare" program, and many administrators viewed the program as a service only for the needy and neglected children.

The foundation on which the districts Universal Breakfast Programs were started was:

- the desire to eliminate the stigma associated with the program and;
- the determination to implement a fair and just program that all students would feel good participating in.

Linda, faced with an overwhelming challenge, applied for a Nutrition Education Training Grant, to fund a month long Universal Breakfast Program. This pilot project at Van Buren Elementary School would provide a free meal to all students who chose to participate, regardless of their eligibility.

Van Buren had been operating a breakfast program for many years in compliance with Ohio's School Breakfast Mandate, but less than 100 of the schools 400 students were participating in the program each day, although 67% of the students qualified for subsidized meals.

Van Buren's Principal knew that students who eat a nutritious meal before classes began, performed better in school and he welcomed the opportunity to get additional students involved in the program. Cafeteria personnel and teachers worked together to promote the program and encouraged students to participate.

At the end of the first week of operating the Universal Breakfast Program, the teachers were seeing a big difference in their students. Students participating in the pilot project were more alert and ready to start the day, than those who were not participating.

As Vaupel evaluated the cost of the universal program, she found that the program was not operating at a deficit as she had anticipated. Van Buren's participation increased by 100% in the first week of operation. Implementing the Universal Program eliminated the stigma that had kept many of the children eligible to receive free and reduced priced meals from participating in the program, the increased participation reduced the schools per meal cost allowing the program to operate more cost effectively. The program served only about 8 children per day that would have normally paid, the remaining increase came from students who were already eligible to receive subsidized meals.

As the end of the month long project neared, Linda asked the principal "how will I tell all the students who have been participating, that the Universal Program will be ending?" "You won't," was his reply, "what ever it takes to keep this program free to all students who choose to participate, can and will be done."

That was in October of 1992, today this "can do" attitude has expanded the Universal Breakfast Program to eight of the districts thirteen elementary schools.

Why, you might ask, has this district chosen to undertake such a massive expansion effort without any additional federal support or benefit of paper work reductions? One of the fundamental reasons, Van Buren Elementary Standardized Achievement Test Scores skyrocketed after the school implemented it's Universal Breakfast Program. The percentage of the schools fourth and sixth-grade students scoring in the top 50 percent nationwide increased significantly.

Test scores of the fourth graders reported:

- 57% of the students ranked in the top 50% nationwide in reading compared to only 29% in the previous school year; and
- 59% of the students ranked in the top 50% nationwide in Language Arts compared to only 23% in the previous school year.

(See attached test scores and newspaper article).

School Breakfast just makes good sense! Students that participate are happy, content and more prepared to learn. They aren't sitting in their morning classes with stomachs growling waiting for lunch. Feedback from parents to the Universal Breakfast Program has been favorable, many reported that their children are now eager to get to school early to participate in the program with their peers. Many other parents stated that they knew their children were eligible to participate free or at a small cost, but remarked that their children would rather go without the meal, than risk being seen in the cafeteria participating in the program. Children just don't want their friends knowing that their family is receiving food stamps or are on public assistance. In addition, positive coverage by the local media has helped raise community awareness about the availability of the program and featured stories throughout the school year.

The benefits to the district have been numerous. Teachers report they have seen a big difference in their classrooms, many say that the children are more settled and ready to learn. Other said they no longer have to send children down to the cafeteria for a snack because they are hungry. Prior to the universal program implementation, this was a common occurrence, which disrupted the class and embarrassed the children. Principals were pleased with the results of the program, stating there are less discipline problems and fewer children brought to the nurses office each morning because of stomachaches and headaches. Other benefits included passage of an operating levy (the first one to pass in over seven attempts on the ballot).

The commitment of one person, Linda Vaupel started this effort that has blossomed into a district wide effort. If Linda were here today, she would proclaim to you "as a nation we can't afford to neglect a generation of children and let them fall through the cracks and holes of government regulations and rules that are antiquated and punitive. These children are our future and will be caring for us and our grandchildren some day".

Planning is currently underway to expand the breakfast program to the districts remaining elementary schools. The district has received a Federal School Breakfast Start-up Grant to fund expansion efforts during the 1993-94 school year.

Unfortunately this authorization has expired, which relates to our second area of concern. Without this reauthorization, tens of thousands of schools throughout this nation will not have the opportunity to initiate new programs through utilization of this grant program in the coming years.

Federal School Breakfast Start-up Grants have been available on a competitive basis to schools sense it's passage in 1989, (Public Law 101-147, the Child Nutrition and WIC Amendments of 1989). Grants permitted schools to purchase critically needed equipment to support preparation of the additional meal, local community outreach and promotion of the new programs - all of which are required to execute and maintain successful programs. In return, schools must agree to operate the program for a period of three years.

Ohio's state agency (Ohio Department of Education, Division of School Food Service) submitted proposals in both rounds four and five and received Federal School Breakfast Start-up Grants totaling $232,000. Round four funding started 14 programs, round five will permit 54 new programs to begin starting with the 93-94 school year. Reauthorization of the breakfast grant program is critical to any future growth and expansion of the School Breakfast Program. Without federal funding to support new breakfast programs it is unlikely that school districts or states legislatures will have additional revenues to continue the expansion efforts.

The third problem area that has restricted widespread growth of the program are the cost accounting regulations mandated for "severe need" breakfast program reimbursements. Currently the National School Lunch Program operates on different accounting principals and requirements, allowing all schools that qualify for "severe need" reimbursements (60% or more of the participating students are eligible to receive free or reduced price meals) to receive the higher established rate. However current breakfast program regulations require schools to document through burdensome cost accounting practices what are the actual per meal costs. Reimbursements are then paid at that actual per meal cost, not at the higher established rate. Food service directors shy away from the program due to this two tier reimbursement system.

Most of these directors quickly add that unless the requirements are changed they aren't interested in the program. They won't take any chances that might jeopardize their lunch programs by placing additional burdens on equipment that is currently held together in some cases with wire and tape.

This leads us to the fourth area of concern. Numerous directors have stressed that the breakfast program is desperately needed by the children in their schools, but equipment, much of it 30 to 40 years old would not hold up under the demand of increased meal services. Directors reported that equipment is extremely expensive to repair because parts are no longer available and replacement often requires parts to be tooled through costly manufacturing procedures or modifying others to fit. Reinstatement of the School Food Service Equipment Assistance Program would have a immediate impact on the expansion of the School Breakfast Program by addressing this equipment shortage.

In closing, I would like to reiterated the following School Breakfast Program recommendations for consideration in the 1994 Child Nutrition Reauthorization:

1. **Funding of nationwide pilots of "Universal School Breakfast Programs" in elementary schools where 60% or more of the students receive free or reduced price school meals.**

2. **Reauthorization of the Federal School Breakfast Start-up Grant Program at a level of $5 million on an annual basis.**

3. **Elimination of cost accounting regulations mandated for "severe need" breakfast reimbursements.**

4. **Reinstatement of the School Food Service Equipment Assistance Program**

Thank you for permitting me this opportunity to speak to you concerning the breakfast program. In concluding, the tools exist to prevent childhood hunger, there is no reason we should be mortgaging our children's future by allowing proven programs to go under utilized and under funded. The child who cannot learn because he is hungry, the child who cannot concentrate on her studies because she is concentrating on her stomach are waiting for an answer.

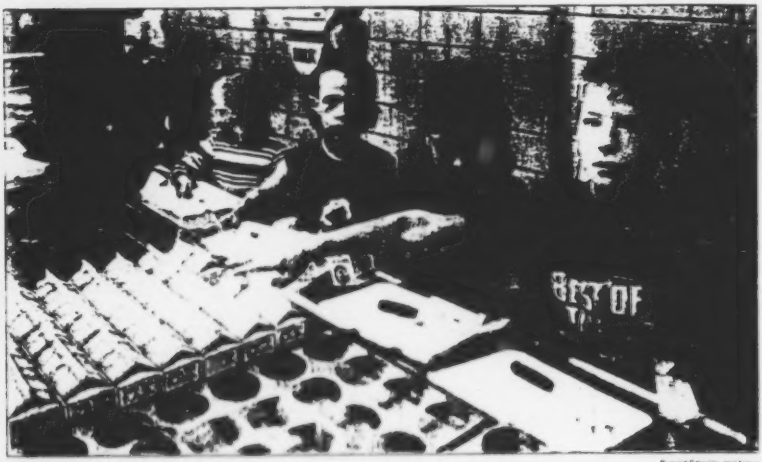
The answer should be one of hope.

When we as adults look back on our school years we, for the most part see happy memories and pleasant times, the mystery of learning, being accepted by teachers and classmates, and being supported at home. If on each of these counts we know children are suffering and, we know we can do something about eliminating their pain, then it is our responsibility to make the change.

Testimony provided by Lisa Hamler-Podolski, Coordinator
Community Food and Nutrition Program
Ohio Hunger Task Force
181 East Livingston Ave.
Columbus, Ohio 43215
614.341.7700

Journal-News Butler County, Ohio Saturday, May 22, 1993

Food for thought



Richard Sheridan/Journal-News

Van Buren Elementary students (from left) Chris and Ryan Works, Michael Lierer and Kevin Albertus pick up their breakfast in a new program that offers free breakfast to all students. Test scores at the school have skyrocketed since the program began in October.

School breakfasts making sense

Students' test scores increase after start of free meal program

By Michael J. Shearer
Journal-News

HAMILTON

Anyone who doubts that breakfast is the most important meal of the day may want to visit Hamilton's Van Buren Elementary School.

Achievement test scores at the East Side elementary skyrocketed this year after Van Buren became the first Ohio school to offer a free hot breakfast to every student. Some fourth-grade test scores jumped 20 percent to 45 percent from one year ago.

Principal Michael Farmer credited the free breakfasts with giving his students enough fuel to work through the entire school day.

In the past, eligible students refused free breakfasts because of a stigma attached to handouts. When every child eats for free, there's no stigma and almost everyone eats.

"That insured that we don't have kids sitting there with empty stomachs," Farmer said. "They go into class ready to sit and learn."

With children more prepared for class, Van Buren's teachers were able to complete more productive instruction with students, he said.

"Teachers looked at the areas we were deficient in," Farmer said. "They really concentrated on what should be taught. We did not have kids not ready to learn because of environmental factors."

Although attendance figures are not yet available, Farmer said he strongly sus-

(Please see BREAKFASTS, Page A8)

BEST COPY AVAILABLE

Breakfasts

(Continued from Page One)

pects the breakfast program attracted more children to show up every day. Van Buren also worked with parents to stress the importance of attendance and testing, Farmer said.

"I think all of these items helped our test scores," he said. "They went up considerably."

Van Buren's success this year delighted Hamilton City School District Superintendent Janet Baker, who approved the program after reviewing a proposal last fall from Director of Food Services Linda Vaupel.

"Van Buren's growth was as significant — if not more — than any other school in the district," Baker said. "I'm proud of their efforts, their willingness (to take a risk) and their innovation."

After debuting at Van Buren in October, Hamilton expanded the universal breakfast program in January to seven other elementary schools, including Adams, Buchanan, Harrison, Jefferson, Lincoln, Madison and Pierce. Vaupel plans to add Grant Elementary this fall along with offering low-cost breakfasts at all four secondary schools.

Students took achievement tests in January so district officials cannot determine the impact of the breakfast programs in the seven additional schools. Test scores in nine of Hamilton's 13 elementaries increased this year, Director of Assessment and Information Management Lon Stettler said.

Van Buren's increases were significant because they exceeded traditional year-to-year score changes due to different classes, he said.

"They really shot up," he said. "It was a real delight to see them go up."

Van Buren's story may help other food service directors across Ohio convince superintendents to adopt a free breakfast program, said Vaupel, who recently testified in the Ohio House of Representatives about the program.

"They can't get a paid breakfast program let alone a free program," she said. "They can't believe I was allowed to do this."

At Van Buren, the percentage of fourth-and sixth-grade students scoring in the top 50 percent nationwide increased significantly.

In fourth grade, 57 percent of students ranked in the top 50 percent in reading compared to 29 percent in 1991-92. In language, the percentage in the top 50 percent increased from 50 percent to 23 percent. In math, the percentage dropped from 32 percent to 30 percent. Overall, the percentage of fourth-grade students scoring in the top 50 percent jumped from 28 percent to 49 percent.

In sixth grade, 42 percent of students ranked in the top 50 percent in reading compared to 44 percent in 1991-92. In language, however, the percentage in the top 50 percent increased from 39 percent to 56 percent. In math, the percentage also increased — from 43 percent to 59 percent. Overall, the percentage of sixth-grade students scoring in the top 50 percent jumped from 42 percent to 52 percent.

BEST COPY AVAILABLE

EXCELLENT AND DEFICIENT SCHOOLS REPORT
VAN BUREN ELEMENTARY SCHOOL

		Standards		Van Buren School		Unaggregated Percentages		
		Excellent	Deficient	Percent	Rating	Reading	Lang. Arts	Mathematics
I.	**ACHIEVEMENT TESTS**							
	Grade 4							
	1. % scoring at/above							
	NCE 36 (90-91)	=/>90%	<65%	63.6	Deficient	69.8	67.9	52.6
	NCE 36 (91-92)	=/>90%	<65%	55.3	Deficient	59.5	44.3	62.0
	NCE 36 (92-93)	=/>90%	<65%	81.5		83.3	87.0	74.1
	Difference			+26.2		+23.8	+42.7	+12.1
	2. % scoring at/above							
	NCE 50 (90-91)	=/>67%	NA	37.2		41.5	35.8	34.0
	NCE 50 (91-92)	=/>67%	NA	27.8		29.1	22.8	31.6
	NCE 50 (92-93)	=/>67%	NA	48.8		57.4	59.3	29.6
	Difference			+21.0		+28.3	+36.5	-2.0
	3. % scoring at/above							
	NCE 64 (90-91)	=/>35%	NA	9.4		15.0	9.4	3.8
	NCE 64 (91-92)	=/>35%	NA	10.6		7.6	11.4	12.7
	NCE 64 (92-93)	=/>35%	NA	14.8		14.8	22.2	7.4
	Difference			+4.2		+7.2	+10.8	-5.3
	Grade 6							
	4. % scoring at/above							
	NCE 36 (90-91)	=/>90%	<65%	58.7	Deficient	58.5	54.5	65.5
	NCE 36 (91-92)	=/>90%	<65%	71.0		70.5	78.7	63.9
	NCE 36 (92-93)	=/>90%	<65%	77.2		80.5	73.2	78.0
	Difference			+6.2		+10.0	-5.5	+14.1
	5. % scoring at/above							
	NCE 50 (90-91)	=/>67%	NA	30.4		32.7	29.1	29.1
	NCE 50 (91-92)	=/>67%	NA	42.1		44.3	39.3	42.6
	NCE 50 (92-93)	=/>67%	NA	52.0		41.5	56.1	58.5
	Difference			+9.9		-2.8	+16.8	+15.9

97

6.% scoring at/above						
NCE 64 (90-91)	=/>35%	NA	10.4	11.0	11.0	9.0
NCE 64 (91-92)	=/>35%	NA	18.6	19.7	23.0	13.1
NCE 64 (92-93)	=/>35%	NA	17.9	4.9	22.0	26.8
Difference			-0.7	-14.8	-1.0	+13.7

CONCLUSION:

- At grade 4, there was a substantial increase of 26.2% at NCE 36 with Reading decreasing by 23.8% and Language Arts by 42.7%. There was a substantial increase of 21.0% at NCE 50 with Reading increasing by 28.3% and Language Arts by 36.5%. In addition, there was a slight increase of 4.2% at NCE 64 with Reading increasing by 7.2% and Language Arts increasing by 10.8%.

- At grade 6, there was a modest increase of 6.2% at NCE 36 with Reading increasing by 10.0% and Language Arts by 14.1%; there was a modest decrease of 5.5% in Language Arts. There was a substantial increase of 9.9% at NCE 50 with Language Arts increasing by 16.8% and Mathematics by 15.9%. At NCE 64, Mathematics increased by 13.7% but Reading decreased by 14.8%.

SUMMARY OF TRENDS IN STUDENT ABILITY
1988-1993
(Mean = 100)

	1988-89	1989-90	1990-91	1991-92	1992-93
Grade 4:					
Verbal	97.0	98.4	93.5	94.0	96.2
Quantitative	94.2	97.3	92.3	92.9	97.5
Non-Verbal	94.3	96.5	94.3	94.5	98.2
Grade 6:					
Verbal	96.9	98.9	93.9	98.9	95.7
Quantitative	93.7	93.8	90.6	98.0	99.8
Non-Verbal	99.4	98.5	92.3	99.3	103.5

CONCLUSION:

At Grade 4, student ability shoed a slight increase in Verbal and Quantitative ability in 1992-93.

At Grade 6, Verbal and Quantitative ability showed mixed changes from 1991-92 to 1992-93.

COMPARISON OF ACHIEVEMENT VS. ACHIEVEMENT PREDICTED BY ABILITY
1988 - 1993
(In Months)

	1988-89	1989-90	1990-91	1991-92	1992-93
Grade 4:					
Reading	+3.7	-1.2	+3.6	-0.8	+6.5
Language Arts	-2.6	-3.7	+3.0	-3.8	+8.9
Mathematics	+0.9	-2.2	-0.4	+1.8	+1.0
Composite	+1.3	-1.7	+2.5	-1.0	+3.3
Grade 6:					
Reading	+0.0	-3.9	+1.6	+3.7	+3.5
Language Arts	+1.6	-2.5	+2.5	+5.6	+7.2
Mathematics	-6.1	-5.9	+2.4	+0.3	+3.4
Composite	-1.0	-3.3	+2.0	+1.7	+3.6

CONCLUSION:

- At Grade 4, students performed 3.3 months above what was predicted for 1992-93. Students performed 8.9 months above where predicted in Language Arts and 6.5 month above in Reading.
- At Grade 6, students performed 3.6 months above where predicted for 1992-93. Students performed 7.2 months above where predicted in Language Arts, 3.5 months above in Reading, and 3.4 months above in Mathematics.

Mr. GREEN. Congressman Mazzoli, before we introduce the next witness, would you like to make a statement?

Mr. MAZZOLI. Mr. Chairman, thank you very much. I appreciate your graciousness and the indulgence of the committee.

I would very much like to commend to your attention and that of your colleagues on the committee the testimony that you will receive from this panel, but particularly from Linda Locke, who is the Associate Director of the Community Coordinated Child Care in Louisville, Kentucky, my home town and district. Linda, Daniel Cleaver and others in the program and I worked very ardently 2 or 3 years ago on the bill that we call the ABC bill, the Act for Better Childcare, and I think on that basis, Ms. Locke brings a very interesting observation to your committee, Mr. Chairman, from her perspective of work really in the community and on the ground, and I have scanned her testimony which will deal with increased access to programs, broadening eligibility, reducing some of the administrative red tape.

So, Mr. Chairman, with that, I thank you for your recognizing me and I wish Linda well and commend her testimony to you and the committee.

Mr. GREEN. Thank you, Mr. Mazzoli.

Mr. GREEN. Our next witness is Linda Locke. Ms. Locke.

Ms. LOCKE. Thank you. Thank you very much and I appreciate the kind words, and it certainly has been an honor to have worked with you and with Mr. Kildee in the field hearing on the child—on the ABC bill several years ago.

Mr. Chairman, members of the subcommittee, I am Linda Locke, Assistant Director with Community Coordinated Child Care in Louisville, Kentucky, and currently serve as Vice-President of the Child and Adult Care Food Program Sponsors' Forum.

I want to thank you for the honor and privilege of appearing today. This particular subcommittee and full committee has long been a supporter and worked hard for children and child nutrition programs. It has certainly been an honor over the years to work with some of you and to see some of the successes in direct services that we have had, and the children who have benefited from many of the actions you have taken here on the subcommittee and within Congress.

My testimony today is on behalf of the Child and Adult Care Food Program Sponsors' Forum. There are approximately 10,000 CACFPs, as we are called, sponsors, serving 1.8 million children every day.

The Child and Adult Care Food Program provides nutrition services to two types of child care programs: Family child care and center-based care. Head Start is considered part of the center-based care program under the Child and Adult Care Food Program.

I would like to address four issues, two related to the family child care portion of the program, two related to the center-based program. Obviously there are more issues in my written testimony, but I have chosen these to address.

First, I would like to address the family child care portion of the nutrition program. Family child care is defined as the care of a small group of children in the home of the caregiver. Nationally those groups total six or fewer children. We are talking about very

small groups of children. These are your neighborhood homes, these are your relatives, these are your friends who are providing care for children. These are residents of public housing projects, section 8, wherever they might be.

The Child and Adult Care Food Program has been a major factor in establishing, developing and sustaining the Nation's family child care system. The reason for this is that the CACFP requires homes to meet State standards before the children in those homes may receive the benefits from the program.

Linked hand-in-hand, this has certainly facilitated the development of family child care while at the same time assuring the children receive the nutrition benefits they so need.

The issues that relate to family child care are as follows: The first, we would allow family child care expansion funds in the CACFP targeted for development of family child care in rural and low-income areas to be used to assist homes with State licensure requirements.

Currently expanding the program means that you are only able to enroll a home that is eligible, i.e., has already met State standards. A recently released USDA study shows that use of these funds to help eliminate barriers, i.e., State licensing, technical assistance, so forth, brings in significant numbers of new low-income and rural children.

We would suggest expanding the ability to use these grants for up to 1 year and the funds for up to 100 homes. Our current statistics show that 20 percent of the 4 million children in the Child and Adult Care Food Program are participating. Eighty percent of the children in family child care are not participating in this program, so we suggest that this is a significant piece of getting more low-income children into the program.

The second issue as related to family child care is to allow State-approved foster care homes to participate in the Child and Adult Care Food Program under the family child care portion of it. Children in foster care are often at nutritional risk because of the abuse, neglect they suffered.

However, a child living in a foster care home is only eligible for Federal meal services if the child goes to school or if the child is in child care. However, if the child were served in a residential child caring institution, the child would receive federally-funded breakfast and lunch year round.

We feel this is a significant area that needs to be looked at as we look at reauthorization. We would be glad to explore this further with you in further conversations as a State demonstration project. Kentucky officials are very interested and we would be willing to work with you in this area.

Moving on, I would like to address the issues that relate to center-based programs. First is the issue of the for-profit sector. In 1989, two States were allowed demonstration projects to test allowing for-profit centers to participate in the Child and Adult Care Food Program if 25 percent of their enrolled children were low income, i.e., qualified for free and reduced price lunch.

The current statute allows for profit participation only if 25 percent of the children are funded with Title XX funds. That statute was written many years ago before the current flow of additional Federal funds for child care and before the significant influx in some States of local funds for child care.

For example, a for-profit center can have 80 percent of its children eligible for free and reduced priced meals and not have the ability for those children to receive child and adult food program benefits because the children are not Title XX funded. Kentucky and Iowa were the two State demonstration projects.

In Kentucky it has been very successful and in Iowa they have a small number of homes, a small number of centers that are participating.

A couple of statistics for you: In April of this year there were 47,000 children in Kentucky in for-profit centers participating in the Child and Adult Care Food Program, 57 percent of them eligible for free and reduced priced lunches.

The second issue I would like to address as related to the center-based portion of the program is the continuation of the Homeless Demonstration Project. This project is set to expire this year. We would like to see it extended. There have been a number of findings from this project which allowed children in homeless shelters up to the age of 6 to participate in the Child and Adult Care Food Program.

We have a demonstration project in Louisville and one in northern Kentucky. Some of the first were in Pennsylvania and particularly in rural Pennsylvania. A couple of problems have emerged with the project. One is the limitation on the age of 6. Certainly when children are there in the evening, weekends, summers, they should be allowed certainly over the age of 6 to participate.

Secondly in discussions with USDA officials, they would like to see the ability to test this under the family child care portion of the Child and Adult Care Food Program. There are several reasons for this.

One, there is significant paperwork associated with participating under the center-based portion of the project. Two, there needs to be significant local technical assistance provided to the shelters. Three, in many shelters you see small numbers of children that are participating. All of these combine and seem to point toward the an ability of the family child care portion to serve it in a way that the center-based portion cannot and, again, we would be glad to discuss this with you further.

In doing this and expanding or extending the program, we need to look at providing administrative moneys to do this. USDA has been doing this out of the office here in Washington. There simply is not the ability to connect with local technical assistance without some overhead administrative funding.

I appreciate the opportunity of coming today. I would like to say to you that there are sponsors of this program, both center-based and home-based in every State in the country. We would welcome your visits. Please call any of us at any time. We would love to have you come and visit in Louisville. We can show you all of the different portions, rural and urban, and center and home and homeless shelter and center demonstration projects, and certainly I

am sure Congressman Mazzoli would love to have you at Derby time, wouldn't you.

Thank you very much. I will be pleased to answer any questions you might have.

Mr. GREEN. Thank you, Ms. Locke, for your testimony.

[The prepared statement of Linda Locke follows:]

Linda Locke
Assistant Director
Community Coordinated Child Care

Opportunities To Improve the Child and Adult Care Food Program Through the 1994 Reauthorization of the Child Nutrition Programs

Mr. Chairman, members of the subcommittee, I am Linda Locke, Assistant Director of Community Coordinated Child Care (4-C) of Louisville-Jefferson County, Kentucky a private, non-profit United Way child care resource and referral agency, dedicated to quality care for children. I have been involved with the Community Coordinated Child Care's Child and Adult Care Food Program Sponsorship for 13 years. I wish to thank Chairman Kildee and the members of the Subcommittee for the honor and privilege of appearing before the Subcommittee today. This Subcommittee's leadership and work on improving the nutritional status of our nation's most vulnerable is both admired and deeply appreciated. Those of us who are providing the direct services see everyday the benefits that children in particular are deriving from their participation in the programs we administer and which this Subcommittee oversees.

Today I am here to testify on behalf of the National Child and Adult Care Food Program Sponsors Forum, of which, I am the Chair-Elect. These recommendations have come from the Child and Adult Care Food Program Sponsors Forum, which is an organization representing the 10,000 Child and Adult Care Food Program Sponsors. In fiscal year 1992, the food program served an average of 1.8 million children each working day.

The Child and Adult Care Food Program (CACFP) is a key source of support for day care centers and family day care homes. Through the vital resources provided, including training and technical assistance and reimbursement for food and meal preparation costs, the program functions as an important tool in creating and maintaining accessible, affordable, quality child care.

For many of the children in day care, the day care center or family day care home they attend is their primary source of food; they spend 10-12 hours each day in care and receive most of their meals while there. According to Congress's Select Panel for the Promotion of Child Health, preschool children often receive 75-80 percent of their nutritional intake from their day care providers. CACFP makes a significant difference in the ability of low-income providers to provide wholesome and nutritious meals. In an evaluation of the program's effectiveness, USDA reported that children in day care settings participating in CACFP ate more nutritious meals than did those who were in child care sites that did not participate in the program.

The CACFP provides nutrition services to two types of child care programs: family day care homes and child care centers/Head Start programs. I have provided with this testimony a short summary of how family day care homes and child care centers participate in the Child and Adult Care Food Program. I would be glad to answer any questions you might have regarding these summaries.

It is vitally important to provide young children with the necessary nutritional support to have a healthy start in life. A poorly nourished child is unable to explore and learn from his or her surroundings. There have been consistent reports on the high rate of poverty among families with young children, a rate which has increased dramatically throughout the

1980's and into the 1990's. In addition, the Food Research and Action Center's Community Childhood Hunger Identification Project revealed that approximately five million children under 12 years of age suffer from hunger in America. Low-income families with young children face a daunting challenge in trying to stretch limited resources to meet the nutritional needs of their growing children. CACFP provides a much needed resource for these families.

The Child and Adult Care Food Program Sponsors Forum believes strongly that it is in the best interest of the children served by the program to maintain the current reimbursement structure for family day care homes. Please see attached issue paper. We have seen tremendous change in the program and the children it serves since 1990 as new federal funding for child care subsidy has been received and implemented in the states.

We are seeing more homes serving children from mixed economic backgrounds; sponsors are providing a higher degree of technical assistance to homes when we enroll them in the CACFP as many of the newer providers are themselves low-income. Many sponsors across the country are working in partnership with state welfare agencies to assist in the development of new family day care homes which are providing jobs for those leaving the welfare rolls.

I would like to give a personal example of this. The agency for which I work, Community Coordinated Child Care (4-C) in Louisville was fortunate in 1990-1991 to receive funds both locally from the City of Louisville and the Jefferson County Government, and privately from Target Stores and the Dayton-Hudson Foundation, the National League of Jewish Women, the Junior League of Louisville and the Fund for Women to implement a

major area-wide recruitment project targeted at increasing the supply of family day care homes.

One of our first efforts was concentrated in the Lang Homes Public Housing project located in the West End of Louisville. We worked with the local board and with the director of the Louisville Housing Authority to develop policies by which the Housing Authority would grant permission for residents to operate family day care homes within their residential units. We also worked with the local HUD office to assure that the provider's income would be fairly treated in relation to her continued eligibility for public housing.

We assisted Nancy T. through the time-consuming process of meeting state standards and were able to access a small grant so she could buy the needed equipment and fence necessary to begin operation. We additionally worked with the state regulatory agency as they had never had an application form, nor approved, a residential unit within a Housing Project. This entire process took almost a year. It was not until the home met the state regulatory standards that the home and the children in it were even eligible for the CACFP benefits.

We are proud to say, however, that Nancy T., with assistance from her sister, is serving children six days a week, on two shifts. Her only source of income is from her family day care operation, and she is very proud of the progress she has made. In addition, the parents she serves are delighted with the care she is providing, and that she is able to meet their job-related work schedules.

Nancy T. has become a leader in her area, working with other providers to develop a neighborhood support group. In addition, she continues to participate in available training

opportunities, having obtained many more training hours than most child care staff.

Our recommendations cover four main categories: increasing access to CACFP through broadening eligibility and facilitating outreach, broadening CACFP benefits, coordinating CACFP with other important programs serving low-income preschool children and administrative improvements. These recommendations were drawn from a nationwide survey done by the Food Research and Action Center and the National Child and Adult Care Food Program Sponsors Forum. In addition, the membership has met at regional and national CACFP conferences, and through workshops, panels, and group sessions put together, along with the survey results, the following positions and proposals. The California Child and Adult Care Food Program Roundtable, an advocacy group comprised of CACFP sponsors, child and anti-hunger advocates and USDA representatives, has also provided extensive input. For the sake of brevity, in my oral testimony I will cover only the highlights of these recommendations.

I. *Increasing Access to the Child and Adult Food Program*

A. Broadening Eligibility

Proposal: Expand for-profit CACFP eligibility by allowing centers to participate in CACFP that serve 25% or more free or reduced price eligible children.

Currently, the regulations allow for-profit centers to participate if they have 25% or more of the children enrolled receiving Title XX funding. Unfortunately, because the vast majority of low-income children in day care centers are not supported by Title XX money, many low-income children in for-profit day care centers are denied access to the benefits of

CACFP. As a result of amendments included in the 1989 Child Nutrition Reauthorization, USDA is conducting demonstration projects on this issue. A significant number of low-income children are in for-profit center based care; this is particularly true in the Southern states. The cost for this proposal is estimated as approximately $18 million. I have attached the April demonstration project results from Kentucky.

Proposal: USDA should continue the CACFP Homeless Demonstration Projects.

The CACFP Homeless Demonstration project has been very helpful to the children it has reached. We recommend that USDA give serious consideration to the most effective structure within which CACFP can continue to be used to provide assistance to homeless children. We further recommend increasing the age limit for children in shelters participating in CACFP from the current limit of 6 years of age to 12 years of age the age limit for CACFP participation in day care homes and centers.

Proposal: Raise the age limit for participation in CACFP from 12 to 18 years old.

This increase in the age limit would allow after school hour care centers serving Middle/Junior or Senior High School students to utilize the CACFP. The opportunity to have CACFP as an additional resource would be especially important for the "At-Risk Youth" after school programs that have been established for teenagers living in low-income urban areas. An informal staff estimate by the Congressional Budget Office on the cost of this provision as it appeared in the Adolescent Nutritional Equity Act was approximately 2

million dollars per year.

Proposal: Allow state-approved foster care homes to participate in CACFP (FCCH Section).

Children in foster care are often at-risk nutritionally because of the abuse and/or neglect they have suffered. The CACFP would provide additional resources for foster care homes, which are most often chronically underfunded, to meet the nutritional needs of these children. If a preschool child is in a residential child care facility, that child is eligible to receive federally funded meals through the School Lunch Program. However, a preschool child living in a foster care home is not eligible for any federally funded meal program.

B. Facilitating Outreach

Proposal: Improve the use of the United States Department of Agriculture's (USDA) CACFP expansion funds for rural and low-income areas.

The National Child Care Survey estimates that in 1990, there were four million children enrolled in family day care on a regular basis. In 1992, CACFP was serving only about 20 percent of those children. A significant portion of those unserved are low-income and rural children. "Expansion funds to finance the administrative expenses for such institutions to expand into low-income or rural areas" were provided for as part of the amendments included in the 1989 Child Nutrition Reauthorization Bill. The National CACFP Sponsors Forum and Food Research and Action Center's survey results, as well as feedback from sponsors at regional and national meetings, revealed the need for several crucial modifications:

1. In order for the expansion funds to be most effective for use in combating barriers to CACFP, the money should be available to CACFP sponsors to help, where necessary, to facilitate low-income day care home providers to become licensed. (Family day care homes must be licensed day care to participate in CACFP.) Although the statue is silent on this issue, USDA's current interpretation prohibits the use of expansion funds for licensing. USDA's recent evaluation of demonstration projects looking at the most effective outreach techniques, showed that assistance with licensing was a very effective outreach technique.

2. Additionally, because of the length of time needed to establish relationships in the community, the expansion monies should be made available for an extended period of time, increasing the grant period to one year and the maximum reimbursements for up to one hundred homes.

3. In the absence of final regulations on this issue there has been a significant variation in the implementation of these funds at the state level. Some states have enforced unreasonable requirements on sponsors wishing to use the expansion funds, including excessive paperwork and reporting requirements.

Proposal: Require USDA to provide training and technical assistance to sponsors on effective outreach techniques to low-income and rural family day care homes.

Pursuant to an amendment in the 1989 Child Nutrition Reauthorization Bill, USDA carried out demonstration projects and produced a report on effective outreach to low-income and

rural providers. In order to facilitate the outreach efforts of sponsors, in particular the use of the expansion monies, USDA should provide training and technical assistance on these issues through their regional and state staff. CACFP sponsors have expressed a need for this information. It would be very helpful for USDA to produce booklets and audiovisual materials for sponsors to use when doing outreach to low-income family day care home providers. In addition, USDA should function as a clearinghouse for materials and plans that have been successful, especially low-literacy and non-English language outreach and program materials.

II. Broadening Benefits

Proposal: Providing additional nutritional assistance to children in CACFP family day care homes by providing the option of a fourth meal service.

This provision would require USDA to reinstate the option of providing a fourth "meal service" to children in CACFP family day care homes over eight hours in a day. Currently, family day care providers can offer at most two meals and a snack (or two snacks and a meal). This proposal would allow family day care providers to offer an additional meal to children in care over eight hours, most likely dinner, or if appropriate a second snack. Prior to 1981, when the provision was cut because of fiscal reasons, such children could actually receive up to five meal services each day: three meals and two snacks. The idea was "little meals for little people".

The fourth meal service is an option available to day care centers. Many children are in family day care homes for 10-12 hours each day. It seems unreasonable to deny a child in

a family day care an additional meal or snack that the child in center-based care is served. This provision is particularly important for low-income children whose parents may have limited resources with which to supplement the food provided by the family day care home. On a daily basis there are approximately 800,000 children participating in the family day care portion of CACFP.

III. ***Coordination of Services to Low-income Families with Preschool Children***

Proposal: Reduce the paperwork for Head Start centers participating in CACFP by making the children participating in Head Start automatically income eligible for CACFP.

Over 90% of Head Start centers participate in CACFP. Head Start children comprise approximately 30% of the caseload for the center-based portion of CACFP. This percentage is expected to rise considerably if Congress funds the Clinton Administration's Head Start expansion. Head Start income eligibility guidelines allow for income of up to 100% of the poverty level, with 10% of enrollment set aside which can be used for children above the income guidelines. If Head Start children were made automatically eligible for CACFP there would be a substantial reduction in paperwork. This would help to facilitate the coordination of these two excellent programs. Allowing the 10% who may be over income to have automatic eligibility would create a cost to this change. However, it is estimated that only five percent of Head Start participants are actually from families with income above the poverty level.

We need to ensure that Head Start children served in CACFP child care centers for hours outside of Head Start would be able to carry their automatic eligibility with them. This

automatic eligibility should work in much the same way as automatic eligibility for AFDC and Food Stamp program participants.

Proposal: Designate a portion of future appropriations for the Nutrition Education and Training program to provide assistance to CACFP.

The provision of NET services to provide training and technical assistance to CACFP family day care home sponsors and day care center staff in meeting the dietary guidelines would be very helpful. In particular, a simple publication for family day care providers on menu planning and food preparation to meet the dietary guidelines is needed. These providers have special needs, because they cater most often to the younger preschoolers and they are preparing food at home. Advice on institutional menu planning that helps school lunch programs does not meet the needs of family day care home providers.

Proposal: Require USDA to work toward enhancing the provision of Medicaid funded services to low-income children in day care centers participating in CACFP.

Medicaid can pay for a wide variety of preventative services for preschool children. In recent years there has been a considerable expansion of Medicaid coverage to include more preschool children. CACFP day care centers can provide an effective avenue for informing low-income families of their children's eligibility for Medicaid benefits. This can easily be achieved by requiring the state agencies to include notification of potential eligibility in the standard prototype "Parent Letter" the state prepares for the day care centers to send out with the CACFP income application each year. Each state agency should write the

notification using their specific state Medicaid income guidelines and a short description of the potential benefits available. USDA should prepare the necessary materials to inform the state agencies about the importance of Medicaid to low-income children, including a basic explanation of the program benefits.

For some CACFP day care centers, in particular Head Start centers and larger day care centers located in low-income areas, serious consideration should be given to providing Medicaid funded services on site. USDA should investigate the possibilities for facilitating the provision of this type of comprehensive services to young children from low-income families enrolled in CACFP day care centers.

Proposal: Reduce the paperwork for after school hours centers participating in CACFP by allowing direct certification of income eligibility by using school meal program application income data.

By reducing the paperwork involved in participating in CACFP, more after school hours centers may be able to become part of the program. Ideally, CACFP should be one of the building blocks of much needed after school education programs for low-income students.

Proposal: Require USDA to works towards coordinating WIC outreach with the Child and Adult Care Food Program.

Many of those eligible for but currently unable to participate in WIC are older preschool children. If the Administration's plan to fully fund the WIC program becomes a reality, then outreach to low-income families with preschool children will become increasingly important. CACFP day care centers can provide an excellent source of referrals for older, potentially

WIC eligible children.

IV. Administrative Improvements

Our recommendations encompass a wide range of important administrative changes which will facilitate a more efficient program. I will submit these recommendations as part of my full written testimony.

Proposal: Allow Sponsors an overclaim error rate based on a percentage of the administrative monies received.

This would change the current overclaim rule which only allows a maximum of $200.00 in overclaims to a "substantial compliance rule" which would allow 3% or less than the total amount claimed for the audit period. Considering the large amount of money that is often involved in an audit period $200.00 is an extremely small percentage of the overall claims and therefore does not represent a realistic error rate.

Proposal: Increase the time limit for CACFP sponsors to submit a revised claim from 60 days to 90 days.

This change is needed in part because of the financial difficulties being experienced by many state governments. Budget cut backs and employee furloughs at the state level have caused longer turn around times for the CACFP checks in some states. This shortens the length of time the sponsors have the checks before the time limit on finding errors expires.

Proposal: Increase administrative monies for sponsors serving rural and low-income inter-city area providers.

CACFP sponsors have considerable monitoring obligations: a minimum of 3 home visits per year, with additional visits if any problems arise. Monitoring visits are vital to the strength of the program but they are costly for sponsors of rural providers. In addition, the safety conditions in many low-income inter-city areas make monitoring a two person job.

Proposal: Require USDA to standardize, to the extent possible, the implementation of CACFP regulations across all states.

Where possible, CACFP policy should be uniform throughout the country. For example, the implementation of the USDA funds for the expansion of CACFP to low-income and rural providers is currently mired down in a multitude of different and often contradictory regulations in some states.

Proposal: Allow sponsors to carry over a percentage of administrative monies into the next fiscal year.

This recommendation would facilitate the smooth operation of the program from year to year. Not all costs are incurred on a monthly basis. This change would allow sponsors to better meet the needs of unexpected costs related to program operation.

Conclusion

I again want to thank this Subcommittee for the privilege of appearing before you today. I extend to each of you, on behalf of the Child and Adult Care Food Program Sponsor's Forum, an invitation to visit with sponsoring agencies within your states. Seeing these programs firsthand and talking with those participating in them provides insight I cannot bring to you within this forum.

Thank you again. I would be pleased to answer any questions you might have.

Community Coordinated Child Care
1211 South Third Street • Louisville, Kentucky 40203 • (502) 636-1358 • FAX 636-1088 • TDD 636-1704

FAMILY CHILD CARE HOMES:

Family child care is nationally defined as the care of a small group of children, usually six or fewer, in the home of the caregiver. Most states provide some type of regulatory approval system for these small homes. CACFP statutes requires that any home participating in this program must either meet the state's approval standards or alternate approval standards as defined by the state agency administering the CACFP.

In addition, states also provide regulatory standards for what is called "large family child care homes", or "group homes." These homes usually provide child care for 7-12 children. They too, may participate in the CACFP as a family child care home.

Family child care homes can only participate in the CACFP through a non-profit sponsoring agency. The sponsoring agency agrees to be fiscally responsible for administering the CACFP to the homes. This includes monitoring and training them in CACFP requirements, and each month, checking all menus, enrollments of the children, determining the claim and correctness of it, submitting the claim to the state agency, distributing funds to homes, and maintaining fiscal records of all documentation required by CACFP. The CACFP pays the sponsoring agency a flat administrative fee each month for each home that submits a valid claim that month.

BEST COPY AVAILABLE

Homes are paid a flat amount per eligible meal served to each enrolled child. Homes may only be reimbursed for up to three mealservices each day.

CHILD CARE CENTERS/HEAD START PROGRAMS

This part of the Child and Adult Care Food Program is divided into two sections: the NON-PROFIT sector and the FOR-PROFIT sector. Both types are reimbursed for meals served to eligible children, based on free/reduced priced guidelines. Both types may also be reimbursed for up to four mealservices each day.

The NON-PROFIT sector includes all child care centers that have IRS 501(c)3 status and Head Start programs. These programs are automatically eligible to participate in the CACFP.

They may participate in the CACFP one of two ways: either through "self-sponsorship"; that is, the program has a direct contract with the CACFP state agency to self-administer the program within their facility.

The other option is that the program may participate through a contract with a non-profit sponsoring agency. The agency becomes fiscally responsible for the administration of the CACFP within that child care program.

If the program elects to participate through a sponsoring agency, then the child care program must pay any administration fees charged by the sponsor.

The FOR-PROFIT sector i.e., child care centers not recognized by the IRS as having 501(c)3 status - must meet

an additional eligibility standard each month before they are allowed to participate in the CACFP.

Except in Kentucky and Iowa, all for-profit programs must have each month at least 25% of their enrolled children funded by Title XX funds. If they serve part-time children and the number of enrolled children exceeds the capacity of the program, then the 25% test is applied to the capacity, and not the enrollment.

In Kentucky and Iowa, the 1989 Child Nutrition Reauthorization Act allowed two states to have for-profit demonstration projects. In these two states, for-profit centers may participate in the CACFP if 25% of the enrolled children each month are eligible for free or reduced priced meals. The 25% test is tied to the actual number of low-income children being served; not to the funding stream of subsidy for the children.

FOR-PROFIT centers, after eligibility is established, may also use with "self-sponsorship" or a contract with a non-profit sponsoring agency to participate in the CACFP.

BEST COPY AVAILABLE

June 20, 1993

Why Instituting a Means Test in the Family Day Care Portion of the Child and Adult Care Food Program is Inappropriate

The Child and Adult Care Food Program (CACFP) is a key source of support for family day care. Through the vital resources provided, including training and technical assistance and reimbursement for food and meal preparation costs, the program functions as an important tool in creating and maintaining accessible, affordable, quality child care for low and middle income parents. The adverse effects of a means test on the accessibility, quality and safety of the family day care available to low-income families with young children cannot be overestimated.

The implementation of a means test for children in family day care participating in the Child and Adult Care Food Program would actually act as a barrier to participation in CACFP by low-income families, and would almost certainly result in very limited participation by such families. This would have serious consequences beyond the loss of the nutritional benefits of participation in this food program.

Why CACFP is Important to Low-income Children in Family Day Care

- Family day care is a key component of our child care system. Thirty-four percent of children under five who are cared for in a formal day care setting are in family day care, including the majority of infants and toddlers. There is an enormous shortage of infant care, because of the high cost. It is critical to support public policies that help to expand the supply of infant care since over 50 percent of mothers with children under age one are now in the paid work force. CACFP helps low-income families receive low-cost, high quality child care.

- For many of these children, the family day care home they attend is their primary source of food; they spend 10-12 hours each day in care and receive most of their meals while there. According to Congress's Select Panel for the Promotion of Child Health, preschool children often receive 75-80 percent of their nutritional intake from their day care providers. CACFP makes a significant difference in the ability of low-income family day care providers to provide wholesome and nutritious meals. In an evaluation of the program's effectiveness, USDA reported that children in day care settings participating in CACFP ate more nutritious meals than did those who were in child care sites that did not participate in the program.

- The Child and Adult Care Food Program plays a major role in ensuring the quality of family day care. The majority of family day care homes are still not licensed or regulated. However, CACFP has been the single most important factor in efforts to encourage family day care homes to be regulated, since this is a requirement for participation in CACFP. Once they are part of the CACFP, providers receive training and monitoring from umbrella sponsors. Although training is directly linked to the quality of care children receive, the majority of state child care regulations require either minimal or no training for family day care providers. Thus, the visits that providers receive from the CACFP staff are

key to helping to ensure that children are in minimally safe settings and receive quality care. Even if family day care homes are regulated by states, most states do not have the resources to do inspections. If they conduct inspections, they rarely are able to see every home yearly, and are increasingly visiting only twenty percent of registered homes each year. The CACFP requires that three inspections per year be made to each day care home participating in the program. In addition, if there is a complaint or problem the day care home will be visited each month until the problem is resolved.

- Family day care can provide an income and a job for many women who would otherwise be dependent on AFDC. Providers are predominantly low-income women who have very low earnings from family day care.

Why A Means Test Would Be Harmful to CACFP

The impact of a means test on a home-based industry, such as family day care, is quite different from the impact on programs administered through institutions. A means test would be so administratively cumbersome at the home level that it would force the majority of providers and sponsors out of the program.

- The institution of a means test would add enormous new paperwork and audit responsibilities for providers, sponsors, state administering agencies and USDA without assisting any new low-income families. A means test would create additional administrative requirements that would be time consuming and costly, including increasing the number of records that must be kept and the amount of time needed to complete each meal service claim. A means test would also be problematic because there is greater movement of families in and out of family day care homes than centers, and greater turnover among family day care homes. Administrative costs would be increased significantly, resulting in a shifting of valuable federal dollars from actually providing nutritious meals and snacks to children to needless administrative costs.

- CACFP reimburses for meals and snacks served to children in day care homes at a flat rate regardless of their family's income. As a result, moderate and low-income families receive equal help from CACFP. The flat rate of reimbursement represents a blend of the reimbursements offered to day care centers. Asking providers to collect income data, calculate different rates and accept severely reduced reimbursement for the moderate-income children in their care would force many if not most to stop participating in CACFP.

  The practical result of these record keeping and reimbursement changes would be an elimination of service to many low-income children because they receive care in the company of economically advantaged children. For example, a family day care provider with four children in her care, two of them from families with low-incomes and two from families with moderate incomes, can easily participate in the CACFP under the present regulations. If a means test was implemented, this

provider would most likely be forced to drop out of the program because the reimbursement given for the two low-income children plus the very low reimbursements that would be provided for the other children, would not cover the cost of meeting the relatively expensive CACFP meal pattern guidelines for all four of the children. Unlike other child nutrition programs, in the day care home environment there is no economy of scale for food purchasing and the difference in CACFP reimbursements will not be offset by a fee per meal.

- A means test would discourage participation in CACFP by providers serving low-income children. Low-income providers often find it difficult to deal with the necessary CACFP forms and regulations; additional paperwork requirements would only further intimidate them and they would be the first to drop out if means testing were implemented.

  As part of a presentation entitled "The Future of the CACFP", given at the 1992 Annual Midwest CACFP Sponsors Association conference, USDA staff attributed a large part of the rapid expansion in CACFP to the following four significant pieces of legislation; The Family Support Act of 1988, which authorized funding for the "JOBS" program, the Human Services Reauthorization of 1990, which reauthorized Head Start and expressed a commitment for increased funding, the Child Care and Development Block Grant (CCDBG), which provided for child care subsidies for low-income children, and Title IX A of the Social Security Act, which includes three sources of child care funding for low-income children the newest of which is the "At-Risk" Child Care Program. Since all of these programs are targeted to low-income families, it would follow that the increase in CACFP participation is primarily due to an influx of children from low-income families.

- In USDA's most recent report on CACFP, Family Day Care Homes Demonstration, the department does an excellent job of detailing successful strategies for overcoming the existing barriers to participation for low-income providers. This report describes the difficulty that these providers have negotiating the complexity of the current paperwork requirements. Another substantial barrier to participation dealt with in USDA's report is the often complicated and costly process of becoming a licensed day care home provider. If we are serious about our commitment to continued expansion of the number of low-income providers in the program, we should pursue the strategies described in the report, rather than erecting further barriers such as the means test.

In the final analysis; the institution of a means test would actually inhibit the original goal of CACFP -- to support quality day care by providing the resources to allow preschool children participating in day care to receive nutritious meals. For the relatively small savings that would be achieved by instituting the means test, the administration would be causing a significant increase in bureaucracy and administrative costs, while crippling the ability of CACFP to function as a major source of government assistance to family day care.

Prepared by Geri Henchy, FRAC and Helen Blank, CDF

Community Coordinated Child Care

1313 South Third Street • Louisville, Kentucky 40203 • (502) 636-1358 • FAX 636-1488 • TDD 636-1704

Up-Date On Kentucky For-Profit CACFP Demonstration Project

Brief History

Current law allows for-profit centers participation only if 25% of the enrolled children each month are funded by Title XX Funds. Since the early 1980's, the use of Title XX funds to assist low-income parents in paying for child care has declined, while other sources of funding for assisting low-income parents have increased. State funding, local public and private funding sources (United Way and local government voucher programs) as well as new federal programs (Child Care and Development Block Grant, Family Support Act) have moved in to help fill this void.

Still, these other funding sources, even though they were also funding low-income children, were not allowed in determining whether the for-profit centers could participate in the CACFP.

The Iowa and Kentucky Demonstration Projects have allowed for-profit center participation if 25% of the enrolled children were eligible for free and reduced priced lunches.

In Kentucky, 225 centers serving 47,000 children with 57 percent eligible for free/reduced priced meals were participating in April, 1993. The April claim in Kentucky totaled $342,077.

We feel, however, that the claim amounts paid in Kentucky should not be used to project the costs of this project. It is our belief that the states that will utilize this program the most are Southern states. These states have a history of using voucher-type programs to assist low-income families rather than developing specific public-funded centers to meet the need.

Without a doubt, the Demonstration Project in Kentucky has shown that a significant number of low-income children are being served in for-profit centers. In addition, the quality of the meals and number of meals served to children has significantly increased. We are awaiting the results of the USDA study of the Demonstration Project, which was completed last year by MACRO International. We feel sure that the study will validate our observations of this project.

Paula James, President
Contra Costa Child Care Council
2450 Stanwell, Suite 110
Concord, CA 94520
(510) 676-6117

Linda Locke, Vice-President
Community Coordinate Child Care
1215 South 3rd Street
Louisville, KY 40203
(502) 636-1358

James Burk, Secretary
Assoc. for Children's Nutritional Growth
P.O. Box 415
Humble, TX 77347-0416
(713) 852-7756

Mark Hansen, Treasurer
Assoc. for Child Dev.
P.O. Box 1491
East Lansing, MI 48826
(517) 332-7200

Craig Rainer
Educational Management Services, Inc.
P.O. Box 26
Marysville, PA 17053
(717) 732-0352

Ellen Sharkey
Clarendon Family Day Care, Inc.
133 The Great Rd.
Bedford, MA 01730
(800) 875-1234

Lucille Patterson
Wildwood Child Care Food Program, Inc
9085 E. Mineral Circle
Suite #300
Englewood, CO 80112
(303) 790-7575

Margaret A. Lucas
Dept. of the Army
U.S. Army Community & Family Support Center
CFSC-FSC
Hoffman Building #1
Alexandria, VA 22331-05
(703)325-0710

Nancy Travis
Save The Children, Inc.
1447 Peachtree St. N.E.
Suite 700
Atlanta, GA 30309
(404) 885-1578

Jan Horner Lanier
4313 Monument Park
Richmond, VA 23230
(804) 278-9090

Toni Gatlin
KCMC Child Dev. Corp.
1900 Vine
Kansas, MO 64108
(816) 474-3751

Diane Adams
Dane County 4-C's
3200 Monroe Street
Madison, WI 53711
(608) 238-7338

Helen Blank
Children's Defense Fund

Kay Hollestelle
The Children's Fund

Ed Cooney
Food Research & Action Center

Marion Standish
CA Food Policy Advocates

Susie Coddington
U.S. Dept. of Argiculture

Carolyn Brown
Minnesota Dept. of Ed.

National Child and Adult Care Food Program
P.O. Box 1491
East Lansing, Michigan 48826

National Child and Adult Care Food Program Sponsors Forum

Membership Application Form

BEST COPY AVAILABLE

PURPOSE

The National Child and Adult Care Food Program Sponsor's Forum was created to form a community of member organizations dedicated to the ideals of high quality meal service and nutrition training in the family day care setting.

OBJECTIVES

To embrace the chief objectives of the National School Lunch Act of 1946 and the Child Nutrition Act of 1966, "... to safeguard the health and well-being of the nation's children, and to encourage the domestic consumption of nutritious agricultural foods."

- To advocate public policy which furthers these objectives.
- To facilitate on-going dialogue among home providers, sponsors, state administrative agencies, and the regional and national USDA office.
- To encourage cooperation and emotional support among sponsors.
- To promote sharing of ideas, methodologies, training approaches, and procedures among member organizations.

HISTORY

The National Child and Adult Care Food Program Sponsor's Forum was organized in 1983 with the first meeting being held at the Save The Children's Family Day Care Conference in Atlanta, Georgia. The membership has grown from 50 to over 300 Child and Adult Care Food Program sponsoring organizations serving more than 1 million children each year for each of the last five years.

The Child and Adult Care Food Program (CACFP) is a federal program administered by the U.S. Department of Agriculture's Food and Nutrition Service (FNS). The CACFP program has been and is in danger or elimination. The Forum was interested in accessing quality child care for low income people and working to maintain the program for the benefit of all children. Because the administering agency and policies for this program differ from state to state, food program sponsors felt a need to organize and share information which would improve service delivery, demonstrate support for quality nutrition, and establish accountability for proper administration of federal funds.

Efforts of members have served to provide public support to maintain the CACFP as an ongoing federal program to improve the nutrition of children.

STRUCTURE

A Board of Directors of seven members is elected according to USDA regional office districts every three years. In addition, the military appoints one Board member, and seven members are elected by the entire membership, for a total of fifteen Directors. The annual meeting of this group is at the Save The Children Family Day Care Technical Assistance Conference in Atlanta, Georgia in April of each year. Pre-conference workshops are provided and all members are invited to attend and participate in the business meeting.

The Board also meets at the NAEYC annual conference in November.

MEMBERSHIP

Our membership year begins October 1 and runs through September 30. Membership dues are based upon sponsor size:

1-150 providers - $25.00
151-850 providers - $50.00
851-and over - $100.00

Non-voting memberships are also accepted from individuals who wish to support the CACFP and its sponsors. Individual membership dues are $25.00

Members will receive legislative updates and have a chance to develop common strategies to address administrative and legislative issues related to the CACFP.

Mr. GREEN. Our next witness is Robert Robinson, Associate Director for the General Accounting Office. Mr. Robinson.

Mr. ROBINSON. Thank you. We thank you for the opportunity to testify today on our October 1992 report on school contract—milk contract bid-rigging, if it is not already apparent from that title, because we represent a pretty substantial shift in gear from the presentations of the previous witnesses.

We have a formal statement that we have provided for the record, but I would like to take just 5 minutes, and it is timed down to 5 minutes, I hope, to lay out the highlights of our message.

Before I do that, let me just introduce a couple of folks behind me who are here to support me. Jim Fowler and Dale Wolden, who—Dale in particular has about 10 or 12 years in the whole dairy industry support programs and if we get into that arcane subject matter, I sure want Dale to be able to participate.

Our work on school milk contract bid-rigging was conducted in response to a request by former Representative Coleman in his capacity as the ranking minority member of the House Agriculture Committee and a member of your full committee.

Mr. Coleman asked us to determine whether there were problems with agricultural legislation that may be contributing to bid rigging. In short, we reported that while Justice Department officials believed existing antitrust legislation is adequate to prosecute milk contract bid-rigging cases, Federal dairy program legislation, through its establishment of minimum prices for milk, creates an environment that could foster collusion on milk prices.

Also, Federal legislation that provides a limited exemption from antitrust legislation to dairy cooperatives makes it somewhat more difficult to achieve convictions, again, according to Justice personnel.

Beyond presenting this overall observation on the legal environment surrounding bid-rigging enforcement, our report identified the need for the Justice Department and USDA to take a number of administrative actions to enhance the government's enforcement position relative to milk contract bid-rigging.

In responding to our report, the agencies have told us that they have taken steps to first improve the coordination and information exchange on dairies suspected of illegal bidding on contracts, and second, expand training programs to help the State and local school officials recognize signs of improper bidding behavior as a first step in the enforcement process.

Now, we have not closely examined the degree to which these promised actions have actually been implemented, but based on some limited follow-up, it appears that while additional improvement is possible, progress is being made.

The most significant unresolved issue remaining from our report's finding is USDA's continued reluctance to debar and suspend dairy operations found guilty of bid-rigging from future school milk contracts.

While the Justice Department has successfully prosecuted dozens of cases and DOD has followed up with over 100 suspension and debarment actions regarding milk contracts on military installations, USDA has not taken this action in a single case.

In explaining its position, USDA and FNS, Food Nutrition Service officials have at various times taken the position that, one, other actions were sufficient to protect the interests of the public and the Federal Government; two, suspensions and debarment actions should not be used for punitive purposes; three, FNS lacks the multi-discipline team of knowledgeable investigators and lawyers that would be necessary to undertake such actions; and, four, FNS is concerned about the potential impact of suspension and debarment actions on the ability of schools to obtain milk.

Its final statement to us on this subject included the observation that, "The Department will continue to consider for potential suspension and debarment those cases where adequate cause for such action exists."

Once again, however, as of our last check on July 10, USDA has not taken such action in any case.

We feel—we continue to feel that suspension and debarment actions are an important deterrent to improper bidding practices. However, unless dairies have some reasonable expectation that if they are caught, they will be suspended or debarred from federally funded programs, the return value of these sanctions is limited.

Now, this is not an academic or hypothetical issue. It is clear to us that we are not dealing with isolated occurrences of bid-rigging. The Justice Department has brought 96 cases against corporations and individuals in the dairy industry since 1988.

Forty-six million dollars in fines have been levied and 26 individuals have been sentenced to jail terms. Thirty-two grand juries are currently investigating additional cases across 21 States.

Finally, there are indications that bid-rigging activity may not be restricted solely to the dairy industry. Accordingly, we believe a more aggressive USDA posture toward improper bidding activity may be warranted.

Members of the subcommittee, this concludes my prepared remarks and we would be happy to answer any questions you might have with the potential assistance from my colleagues.

Mr. GREEN. Thank you. We appreciate your testimony.

[The prepared statement of Robert Robinson follows:]

Statement of
Robert A. Robinson

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to participate in your hearings on child nutrition programs and to discuss our October 1992 report on milk contract bid-rigging.[1] As you will recall, our report was done at the request of the previous Ranking Minority Member of the House Committee on Agriculture, who was also a Member of your full Committee. We were asked to examine bid-rigging on school milk contracts to determine whether there were any problems with agricultural legislation, or its administration, that allowed bid-rigging to occur. We were not requested to include any other food commodities in our study.

In response to this request we reported that:

-- According to Department of Justice (DOJ) officials, federal programs designed to provide price stability in the dairy industry, by setting minimum prices, may create an environment that can foster improper collusion on milk prices. However, neither we nor DOJ officials identified any actual cases in which these agricultural programs were specifically responsible for improper bidding behavior.

-- The Department of Agriculture (USDA) and DOJ, which share responsibilities for overseeing dairy cooperatives for improper collusion on prices, could benefit from a more systematic process for sharing information on their respective efforts in investigating bid-rigging. In this regard, we recommended that USDA and DOJ establish a more systematic process for coordinating information.

-- USDA could be more aggressive in either suspending or debarring dairies indicted or convicted of bid-rigging from bidding on school milk contracts. At the time of our report, USDA had not suspended or debarred any dairies that had been indicted or found guilty of bid-rigging. We recommended that USDA, as appropriate, suspend or debar companies and individuals guilty of bid-rigging from participating in school milk contracts.

-- USDA was providing little training to help state and local procurement officials detect bid-rigging. Because USDA was expanding its bid-rigging awareness training program, we did not make any recommendations in our report on this issue.

---

[1] Food Assistance: School Milk Contract Bid-Rigging (GAO/RCED-93-5, Oct. 16, 1992).

In my testimony today, I will update you on DOJ's current milk contract bid-rigging investigations, DOJ's and USDA's responses to the findings and recommendations in our report, and our thoughts on whether bid-rigging extends to other contracts for food commodities purchased for federal school meal programs.

STATUS OF DOJ MILK CONTRACT BID-RIGGING INVESTIGATIONS

According to information provided by DOJ, as of July 1, 1993, its Antitrust Division had filed 96 criminal cases against 52 corporations and 64 individuals in the milk and dairy products industry. Cases have been brought in 13 states involving milk supplied to public schools participating in federally subsidized school lunch programs as well as to various military installations. According to DOJ data, 45 corporations and 48 individuals have been convicted and fines totaling about $46.3 million have been imposed. Twenty-six individuals have been sentenced to serve jail terms averaging about 6 months each. In addition, 32 grand juries are currently investigating cases in 21 states.

DOJ AND USDA RESPONSES TO OUR FINDINGS AND RECOMMENDATIONS

As you know, federal agencies are required by law to provide a statement regarding actions they plan to take in response to GAO report recommendations to the Senate Committees on Governmental Affairs and Appropriations and to the House Committees on Government Operations and Appropriations. In their statements on our report, both departments have expressed general agreement with our findings and recommendations.

USDA agrees that debarments and suspensions may be warranted, however, it maintains that other factors need to be considered, such as the potential impact of these actions on local school operations before it takes such action. Accordingly, USDA has yet to debar or suspend any companies or individuals found guilty of bid-rigging.

Coordination Between DOJ and USDA in Pursuing Bid-Rigging Activity

In their responses to our recommendation that DOJ and USDA improve their procedures for sharing information on bid-rigging, both departments reiterated their position that they have worked together in the past on this issue. DOJ agreed with our conclusion that more formalized coordination would be beneficial. DOJ said that it would begin sending monthly reports summarizing the Department's Antitrust Division's investigations and prosecutions involving the dairy industry to USDA. The DOJ statement also said that the Department and

USDA's Food and Nutrition Service (FNS)--the USDA agency responsible for administering school meal and other federal food assistance programs--would develop more formalized procedures to ensure that both FNS and local school officials report signs of possible bid collusion to the appropriate authorities and share any reported information with DOJ.

In stating what action it was taking on our reports' recommendation, although not agreeing that a more formal system of coordination was needed between the two departments, USDA outlined the steps that FNS was taking to develop internal procedures to improve coordination with DOJ. USDA's response included cooperation in pursuing illegal bidding activity by dairy cooperatives as well as by other companies providing food to the Department's food assistance programs.

USDA Suspensions and Debarments

USDA, as of July 10, 1993, still has neither suspended nor debarred any of the companies or individuals found guilty of milk contract bid-rigging from bidding on school milk contracts. The Department has taken the position, both in responding to our report and in its March and April 1993 testimonies before the House and Senate Appropriations Committees, that it would consider debarment or suspension of companies and individuals from bidding on school milk contracts. However, before taking this action, it stated that it would also consider (1) the present responsibility of the companies and individuals involved and (2) the potential impact of such actions on local program operations, such as a school's ability to obtain food supplies from suppliers. In response to our report, USDA said that it would pursue such actions to the extent that the interests of the public and the federal government need to be protected.

In testimony, FNS officials stated that the actual damages from milk bid-rigging fall on the schools and that USDA's primary concern is for schools to recover these damages. The strategy is to work with the states and DOJ through criminal or civil actions to recover damages. This strategy includes working with the Defense Logistics Agency, which has suspended or debarred suppliers convicted of bid-rigging on sales of milk to military installations, to come up with monitoring and payment schemes so that companies can continue to sell milk to schools.

In our view, higher school meal costs that result from bid-rigging could also ultimately impact the federal government's school meal programs. The federal government underwrites the costs of school meals (which include milk) that are provided free or at reduced price to economically disadvantaged children. A number of school officials have told us that the costs of providing these meals exceeds the federal reimbursement rate. USDA currently has a nationwide study

under way examining the costs to provide school meals. Illegal bidding activity may have been a factor in the increase in school meal costs. This increase has the potential to (1) lead to increased pressure on the federal government to increase school meal reimbursement rates or (2) cause schools to drop out of federal school meal programs.

In our view, USDA could take stronger action by suspending or debarring those found guilty of bid-rigging on school milk contracts. Although it may be appropriate for USDA to consider the potential impact of a suspension or a debarment on a program, we believe that USDA must carefully balance the deterrent value of such actions against the possible short-term detrimental impacts they may create for some schools or school districts. We believe that the deterrent value of suspension and debarment actions is only meaningful if those dairies that bid-rig have a reasonable expectation that, if caught, they will be suspended or debarred from federally funded programs.

Training to Detect Bid-Rigging

In the draft of our report, we discussed the limited amount of bid-rigging awareness training that USDA had provided to state and local school food procurement officials. At the time of our review, USDA had provided such training in only one of FNS's seven regions across the United States--it's Southeastern region. USDA, DOJ, and Department of Defense officials we talked to during our review told us that such training is essential for helping procurement officials recognize bid-rigging. In commenting on the draft, USDA stated that it was expanding its bid-rigging awareness training to other jurisdictions. Because USDA committed itself to action on this issue, we did not make a recommendation in our report.

Since we issued our report, USDA has expanded training to at least two additional FNS regions. We continue to believe that training in detecting what may be illegal bidding activity is essential for those awarding contracts for school food purchases. USDA should continue its efforts to expand training to additional locations.

POSSIBILITY OF BID-RIGGING RELATING TO OTHER FOOD COMMODITY CONTRACTS

Our review focused only on milk contract bid-rigging--we did not look at the possibility that bids are being rigged on contracts for other food commodities sold to schools. Since we issued our report, however, there have been a number of media reports asserting that illegal contracting activities involving other school-purchased food commodities--such as

chicken nuggets, hot dogs, and bakery products--may be occurring. We have not examined the accuracy of these claims. Both DOJ and USDA officials, however, indicated to us during our review that products, such as bakery goods and fresh fruits and vegetables, were especially susceptible to improper contracting practices.

- - - - -

In summary, there is a lot of good news with respect to federal milk bid-rigging enforcement efforts, but more work needs to be done. On the plus side, DOJ continues to aggressively pursue milk bid-rigging investigations and has taken legal action against a number of violators. Also, USDA and DOJ apparently agree that a more systematic process for sharing information on bid-rigging activities is warranted, and they are investigating ways to improve the lines of communication between the two departments. We continue to believe that the two departments need to work closely together to exchange bid-rigging information. In addition, USDA is expanding its training in detecting bid-rigging to other areas of the country. We believe it is necessary to ensure that those responsible for soliciting bids for food items and awarding contracts have the training needed to detect what may be suspicious bidding patterns and report them to the appropriate investigative authorities.

On the down side, however, USDA seems hesitant to suspend or debar dairy companies and individuals found guilty of bid-rigging. We believe that suspension and debarment actions can be meaningful deterrents to bid-rigging activity. However, if USDA does not exercise these options, their effectiveness as deterrents is lost.

Mr. Chairman, this completes my prepared statement. I would be pleased to respond to any questions that you or Members of the Subcommittee may have.

(150229)

Mr. GREEN. I have a number of questions, and that is one of the prerogatives as a freshman in the Chair, for the first time, I get to ask some questions, but I am not going to. Let me make some comments.

Having served a number of years in the legislature in Texas in dealing with the school lunch program and the breakfast program virtually—we fought in the mid-1980s to try and expand the program, and I was proud that if any school has 10 percent or more students eligible, then it is mandated and we have one of the highest participation rates in the Nation, and I know for Texas that is unusual, particularly for a program such as this, but I was—I remember and I will tell one war story.

Back in the 1980s a school superintendent who was very concerned as superintendent, called when we were expanding the breakfast program and he was so upset we were going to do that. He was just amazed, and we went ahead and did it. And about 3 years later I was visiting with him and I said, by the way, how is the breakfast program working out since you were opposed to it? He said, I was wrong. It is one of the best programs we ever did.

He was amazed and he said—he is still the superintendent, by the way, because he had been superintendent for many years, but even folks who are so diametrically opposed to your program can learn from it.

We have had a great deal of success, at least from my experience in the legislature in Texas on the school lunch program. With that, Mr. Gunderson.

Mr. GUNDERSON. Thank you very much, Mr. Chairman, and thank you all for your testimony.

I have to agree with you, Mr. Robinson, that you might not be the right guy to be here, not because of your testimony, but I am not sure that we don't need to hear from the Department of Justice and USDA in terms of their implementation of this program.

I think your report is helpful, sobering, but helpful to us, and I would hope this subcommittee would hear from the rest of them before we proceed in this area.

Can you indicate how aggressive the Department of Justice has been in pursuing bid-rigging? Most of your criticism seems to be directed towards USDA enforcement.

How aggressive has the Justice Department been?

Mr. ROBINSON. I think it is fair to say that the Department of Justice has been fairly aggressive in pursuing these kind of cases, especially in the last year or so. The pace of enforcement and the pace of prosecutorial effort seems to have picked up even faster than it was by the time we had done our report by October of 1992.

So I don't think there is any doubt they are attacking this with a fair degree of aggressiveness.

Mr. GUNDERSON. When did you make your first recommendations to the Department of Agriculture regarding enforcement measures they ought to be taking?

Mr. ROBINSON. The report is October of last year.

Mr. GUNDERSON. And so then your assessment as of July is that between October of last year and this year no dramatic change has been made in the enforcement side?

Mr. ROBINSON. No cases—no debarments or suspension actions had been taken when we were compiling the evidence for our report, and as of July 10 at least, no actions have been taken subsequently.

Mr. GUNDERSON. Let's change gears just a bit.

To what degree do you believe USDA has the statutory enforcement powers necessary to pursue proper action?

Mr. ROBINSON. I think all would agree that they have the authority to debar, suspend or debar those companies found guilty of antitrust violations.

Their counterparts in the Defense Department, the Defense Logistics Agency, has taken this action in well over 100 cases, about 140 I believe at last count.

Mr. GUNDERSON. Is there any area that you believe needs legislative change in order to further prevent the continuation of bid-rigging?

Mr. ROBINSON. Again, I think you almost need to hear from the Justice Department to get their firsthand observations as to what kind of impact on their prosecutorial ability that is provided by the basic dairy program legislation, which far exceeds the balance of this one program obviously.

I would feel a lot more comfortable having the answer come from them. Based on what they told us, they have sufficient authority to pursue cases, and indeed as there are almost 100 prosecutions, testifies they are taking action, they feel that to a certain degree, you know, they are bound by the restrictions of Capper/Volstead, and believe that the basic marketing order and price support programs provides a climate upon which more collusion than ordinary might be occurring.

However, I know I am rambling here, but it is clear that these kind of activities are clearly illegal business practices and to that extent, they have the authority to be pursuing them and are doing so.

Mr. GUNDERSON. Did you come to any analysis that Capper/Volstead prevents prosecution of bid-rigging?

Mr. ROBINSON. Capper/Volstead of course is the subject of many law review articles and I am not certain I want to get into the details of that legislation.

I think Capper/Volstead clearly exempts a dairy producer from forming a cooperative to make—discuss prices and establish single bids to outside organizations.

It gets a little fuzzier when a couple of dairy cooperatives get together to form single bids, but it is clearly—does not extend the exemption to a dairy cooperative and a third party from working together. That is clearly still prohibited.

Mr. GUNDERSON. Do you have any evidence where two or more dairy cooperatives are likely to have pursued bid-rigging but because of Capper/Volstead have not been the object of an enforcement action?

Mr. ROBINSON. We have no evidence. I might cite a 1956 case that the Justice Department lost where just that issue came together, and I think in an appeals court finding, the courts found that a couple of cooperatives did get together, but that was acceptable under Capper/Volstead.

Again, there is wide debate as to whether that ruling was—should be attacked again in some other case.

Mr. GUNDERSON. I just want you to know, I have no interest in defending dairy cooperatives through the Capper/Volstead Act if bid-rigging is occurring. And if you have evidence, I would certainly appreciate receiving that so we can determine what legislative changes we ought to make.

Can you comment similarly as you did in your report on any difficulty market orders have caused in determining price rigging across the country? Can you elaborate on that?

Mr. ROBINSON. I think what the Justice Department people were—as they explained it to us, what they were talking about is—because the marketing orders establish minimum prices, it reduces the range of competitive activity and creates a situation where everyone knows everyone else's minimum price, so it restricts the nature of the competitive range, if you will.

That is what they were talking to us, by establishing an atmosphere where folks can get together to discuss prices.

Mr. GUNDERSON. That is very interesting, I want to follow up on something Mr. Goodling said earlier. Two weeks ago this committee was on the floor defending the option to choose whole milk in their school lunch program, and I pointed out to people that the only reason we put that in Federal law was because very frankly school nutrition people came to us and said, if you don't put it in, it will not be in the bids. The school board is required by law to accept the lowest bid submitted and if those bids are constructed almost totally on 1 percent milk, they have no choice. So if you want a choice, you are going to have to write it into Federal law. I think, frankly, the GAO report has indicated that we must provide some of the flexibility because of these kinds of problems that exist.

Let me switch gears just a second.

One of you talked about summer lunch programs.

Ms. FORD. I did.

Mr. GUNDERSON. Ms. Ford. We have been told in some of our overviews and visits to the summer lunch programs that if, after lunch, there are leftover fruits or packaged items such as cookies, they all must be thrown out. Children cannot take them with them or take them home and they cannot be rinsed off and used the next day. Either they are eaten or disposed of that day. Is that your understanding?

Ms. FORD. That may be occurring in some States. In the State of Delaware, because we realize that there is so much poverty and hunger, we have under our State administration created some ways to use leftover foods.

We have each sponsor develop a policy for leftover foods. We have many, many institutions that are housing children. For instance, the Department of Corrections, juvenile corrections, have children in their auspices. We donate food to those children for snacks later on in the day. That meal is not charged to the Summer Food Service Program. Just the other——

Mr. GUNDERSON. Go ahead.

Ms. FORD. Okay. Just the other day, one of our sponsors called and said, oh, they are wasting so much fruit, what shall I do? I

said, well, we can try another form of fruit. A lot of the children aren't getting fresh fruit at home so sometimes they are accustomed to applesauce and other things that have come in in the commodity foods.

So the next thing you do is the next time you have your children in a group, explain to them we do not want them to throw away what we consider good food. When you receive your food tray, we will put up in the cafeteria, these are foods that I do not feel like eating, I have not contaminated them in any way, and we put them on a share tray so that other children who may want seconds of that same meal can go up to the share tray.

So we are constantly devising ways to use foods that are still in a condition to be used again without breaking the laws of the program.

Mr. GUNDERSON. At the end of the day, do you have to dispose of the food on the tray?

Ms. FORD. Pardon me?

Mr. GUNDERSON. At the end of the day, do you have to dispose of the food on the tray?

Ms. FORD. At the end of the day there may be a few items there, but what happens is other children who are there at that same sitting come up to the share tray and partake of the same helping that the other——

Mr. GUNDERSON. If they don't, do you then have to dispose of that?

Ms. FORD. That may happen if they are foods that are potentially contaminated.

Mr. GUNDERSON. Is that Federal or State regulation, to your knowledge?

Ms. FORD. What we do is use regulations based on our health department, based on the expertise of food service directors and nutritionists who are available on those types of sites to make that determination.

Generally if you are talking about—we are talking about a piece of fruit that can be rinsed off and could be served or given to another child, we don't see that as harmful.

However, when we are dealing with a sandwich that includes protein and may have had a condiment put on it, then generally we encourage that to be thrown away, because generally we are dealing with temperatures of food and any time the temperature goes over 40 degrees, then they are considered to be potentially hazardous, so we encourage our site people to throw those foods away.

Mr. GUNDERSON. I leave a charge with all three of you: If there is any particular Federal regulation that requires you to dispose of noncontaminated food at the end of that day, would you please inform this subcommittee of it? We get this complaint and, yet, we can't find where we are the problem. If we are the problem. We want to solve that.

So if you ever discover that regulation, let us know. I could ask questions all morning, but I don't think they put the timer light on, Mr. Chairman, and so I think I better be courteous of my colleagues and yield back the time at this point.

Thank you.

Mr. GREEN. Thank you, Mr. Gunderson.

Mr. Sawyer.

Mr. SAWYER. Thank you, very much. Thanks to Chairman Kildee for having this hearing.

I would also like to take a moment to associate myself with the concerns of the gentleman from the dairy State. It is a matter of genuine concern.

I would like to just take a moment to give a special welcome to Lisa Hamler-Podolski who represents the Ohio Hunger Task Force, an organization that has been of benefit to my State for a long period and is nationally known for its advocacy of hunger issues, and particularly the kinds of issues that bring us here together this morning.

Child and adult nutrition programs are really one of the shining lights of this committee, and I share the hope of everyone in this room, that when we authorize this program, we will be able to expand the reach of these programs in much the way that you have described.

Let me particularly comment with gratitude for your support for the start-up grant program. That was an amendment of mine the last time around and it is good to hear that it is doing so well. I would like frankly to hear from others around the country about what kind of success they have experienced with that.

Again, let me thank all of you for your testimony here today. It has been focused and useful and enlightening and will be of enormous help as we pursue reauthorization.

Thank you, Mr. Chairman.

Mr. GREEN. Thank you, Mr. Sawyer.

Congresswoman Woolsey.

Ms. WOOLSEY. First of all, I want to compliment my freshman colleague for the good job he is doing in running this—chairing this committee. You are doing good, Gene.

Mr. Robinson, just very quickly, the district I represent, the two counties north of San Francisco, across the Golden Gate bridge, well, we provide about 65 percent of the dairy product for the entire Bay area, and I know they will be very interested in bringing this debate to a conclusion and coming out with some positive programs and some activity and action, but what I would like to know from you, what impact has this bid-rigging had on the price of dairy products to the breakfast and lunch programs?

Do we have a measurement of that?

Mr. ROBINSON. Ms. Woolsey, that was not within the scope or the boundaries of our investigation. So I really can't give you any informed commentary on that.

Ms. WOOLSEY. Okay. Well, I think that would be important to us up here.

Now, I really identify with the three programs that you wonderful women have come and talked to us about this morning, and one of my visions for our schools is to have coordinated services at or near all school sites.

Of course that includes nutrition programs as well as child care and medical programs and social services and counseling and whatever working families need. Number one would be to address the concerns and needs of our poor students, but also to address the

needs of working families in general, so what I would like you to talk to me about is how your programs and the programs—our programs that we are talking about today can be expanded to benefit all children.

I know for certain that dual-partner families who are both—both partners are working and single parent families of course, that maybe they can afford decent nutrition at home but maybe there isn't—with latchkey kids, maybe there won't be the supervision to make certain that that child actually partakes of the good food, that by the time they get to school their mind is ready to learn versus having eaten sugary foods or fast foods or something.

So how can we expand that? I mean, I have a vision and a fantasy of doing this and having a sliding scale and maybe a card that is paid for by the family that is the same color card for everybody, but it just has a different cost to it, but maybe the families that can afford it can offset some of these costs.

Now, it is not fair that I get lights when we didn't have lights before, but anyway—thank you. So just, I am giving you an idea of what it is I would like to hear from you.

How can we expand this? Is it possible? Will it work? Or do we still have to absolutely concentrate on the neediest? We can't leave them out. I am not intending that.

Ms. FORD. Well, I would like to start out by answering with what we are going to do in the State of Delaware. We are going to be extending our education services to our parents. We feel that the USDA has provided the nutritious meal.

We feel that through the nutrition education and training program that we now need to reach further out to the homes, maybe through the community centers, to help parents understand what we call good nutrition and to insist that their children partake of what we have provided.

When a child goes through the school cafeteria line, there is no one there to say, Johnny, you must take an apple. You must take the protein, you must take the fruit and vegetable.

I have myself been a monitor of the school lunch program and I have seen children use the school lunch moneys that the parents gave for other than the nutritious meal. So what that parent must do is assist those of us who have provided the funds and to teach their children that this is indeed what you are supposed to eat when you go to school, and indeed when you are attending your summer lunch program, I want you to make sure you eat that nutritious meal. I know about it.

I have learned about it and I am not going to provide it here at home because you can go to your neighborhood park and get it, and this causes my food dollar to go further, and so we are concerned now about reaching our parents and letting them know exactly what we have on that tray, because it is certainly a beautiful meal, and thanks to the partnership that we have developed with our handicapped program through the division of visually impaired, we are indeed very proud of what we are giving our children, and it has caused me as an administrator of the program in the State of Delaware to have as many self-preparations as we can.

We have depended upon our commercial vendors for many, many years. However, it is a great feeling to be able to walk into your

neighborhood meal production plant and know that you have your community people employed. Their children are receiving the meals while they are working and receiving moneys for helping with the preparation of the meal, and we indeed have a beautiful tray going to our children.

Ms. WOOLSEY. That makes good sense, and when I talk about coordinated services at or near the school site, the parent support groups and the parent training classes fit right in with that concept. So——

Ms. FORD. Another thing that we have done through our nutrition education and training program to assist the other programs, we have found through our needs assessment studies that children between the ages of 13 and 19 are a little—they know about nutrition, but because of peer, whatever they have, they are too cool to eat.

So we have created the nutrition rap video and what I found out from listening to my own child is that she seems to be able to remember all the words in the rap, so if we put some nutritious fat to the rap, maybe they will remember that.

So that is what we have done with our nutrition rap video in response to educating our 13- to 19-year-old children and that has been very helpful. I have gotten responses from our school district persons and we want to do more of that type of thing.

Ms. WOOLSEY. Okay, thank you.

Ms. HAMLER-PODOLSKI. Representative Woolsey, it enlightens me to hear you talk about preventative models. We in the State of Ohio did put forth a preventative model that would have been implemented in the most disadvantaged school districts in our State, some of which was included in that bill would be family resource centers.

Also proposed would be 1 to 15 teacher/student ratios for grades K through 3, as well as caseworkers placed in every school that were considered at risk with a high percentage of children from ADC families, one caseworker per 400 students.

Another very important component of this preventative model would be to ensure that every child that entered school was prepared for the learning process, which incorporated not only the school lunch program, but the National School Lunch Program.

It is my belief that we as a Nation can only rebuild our communities and our neighborhoods from the basis of a focal point of moving back to the educational environment. Currently in this country with busing, we have children that are being placed on buses that are being bused from rural areas to inner-city areas.

Parents, low-income parents that do not have the resources to participate in their children's educational process, this is a reality. There is no way to communicate with the school because there is no phone in the home. Many of the parents are marginally or functionally illiterate, therefore cannot read or interpret correspondence that is coming home.

We have found this to be a huge obstacle in getting children enrolled in school-based nutrition programs. The current eligibility process includes a lengthy application which is a huge barrier when we have families, again, that are marginally or functionally illiterate. The application process is overwhelming.

I would encourage each of you to visit a school district in your State. Go in, talk to the school food service directors, talk to the teachers, talk to the principals. They have some wonderful ideas on how we can rebuild the educational environment in this community.

I had wanted to answer a question that had come up about the National—or the School Breakfast Program that I believe Representative Gunderson had asked.

Current Federal regulations do prohibit that no food shall be removed from a summer lunch program site. Monitors are instructed that no child, again, can remove any food from a site, and I would like to share a story about that.

Last summer I had been visiting a large site in a metropolitan housing community in Montgomery County, which is the Dayton area. A child came in. He was unaccompanied. He was I would say 3 to 4 years old. The site director said, I feel so badly for this child. It is Friday, it is the end of the month. I am sure the food stamps have been exhausted in the home.

As the end—as the lunch ended, she watched him very closely. He had only eaten half of his sandwich and his apple was left on the table, and as the children started exiting the cafeteria, he removed the food from the top of the table and attempted to slide it in his pocket.

As he moved towards the door, the monitor stopped him and said, I am sorry, you can't take that food home. And he started to cry, and he said, you don't understand. My little brother is at home and he is hungry. My mom is at home and she is hungry. I need to take this food home to feed them. That is the reality.

I bring stories to you, but that is the reality of childhood hunger in this country. It follows the gamut from the summer program, the Summer Food Service Program for Children, to the National School Lunch Program, the School Breakfast Program, and the Child and Adult Food Care Programs.

What you see here before you are programs that can address the needs of children from zero to 18 if program regulations are rewritten to be workable and less punitive.

Ms. WOOLSEY. Lisa, what is the genesis of that ruling? I mean, what rule is that?

Ms. HAMLER-PODOLSKI. It is a USDA regulation that has been on the program. Ms. Ford may be able to address that.

Ms. WOOLSEY. We can look into that later. I just thought you might know. Okay.

Ms. FORD. Children are not—one of the major supervision situations, meals must be consumed onsite with supervision and it is true that the USDA regulation does not allow children to take meals home.

Now, I have been supportive of that law because we do not know what children are going to do with food when it leaves that site. It is very hot and many times they may take it home. The parents aren't at home. They sit it around the house. The meal becomes sour and then the State agency is accused of food poisoning.

So we are very strict with that particular law. We do not allow our children to take meals home. However, children are children

and many times oranges and things go under arms and kids run across the neighborhood and they are gone.

But we are not going to hurt anybody and we are not going to humiliate anybody over a free meal. So once that child has run off the site, we are not going to run off the site for the child.

It is the same thing in the classroom. When you want children to be quiet, some of them are going to talk.

Now, when a site is seen to be having children habitually leaving the site with food, then we have our process for correcting that, and what we do is on the very next day, the State monitor, who is hired as the eyes and ears of the State agency on a part-year basis, arrives at the site with the sponsor representative and we talk to the children.

We let them understand that this meal is similar to the meal that you received in the school cafeteria. We expect that you would eat it here at our picnic we are providing. This is part of the picnic for you and we want you to stay here and eat it with us.

Now, if you do not do that, then we are not going to bring your food to you the next day. It is my feeling that if one site can obey the regulations of the program, then all sites can obey the regulations of the program.

Ms. WOOLSEY. I understand that, but I think Lisa's point was that if—not all food spoils, so maybe we can look at—maybe there is an in-between here somewhere that is not—certainly we don't want to hurt anybody and send any contaminated food home.

Ms. FORD. There are other things that happen when foods go out across your communities. You get children leaving trash across your cities. So you get complaints from people who you want to support your programs.

So there are many reasons why meals should be consumed onsite.

Ms. WOOLSEY. That is obvious, but I am hearing a plea for let's not be so rigid that we leave the little brother without any food. So—but I understand where you are coming from, Ms. Ford.

Ms. FORD. The law cuts off the service of the program at 19 years of age and the child who is pleading for a meal at home for the parent, we have a law here and we have to train our people that we have to preserve that law or else the integrity of the program is lost. And so we care about that parent at home, but we have guidelines here, and so if we lift those guidelines in any manner, anyone who is hired that lifts those guidelines which assist us in preserving the law, then we would just lose everything.

We would have food going out all over the place. And this is a very visible program and we have many conservative people who do not like the idea of the program.

So we become very strict and rigid because we do have that law and we do want the meals to stay onsite where they can be consumed under supervision.

Ms. WOOLSEY. Ms. Locke.

Ms. LOCKE. Thank you. I would like to go back to the original question that you posed, and as I understand it, your concern is to assure, A, coordinated services, B, coordinated services in or near school sites, and the ability to reach out to all children, not just

those that we are seeing as the most needy, and have I gotten that correct?

Ms. WOOLSEY. Without leaving out the needy. I want to make that certain there——

Ms. LOCKE. What we have done in the Child and Adult Food Care Program since 1989 is to bring in, in the two demonstration States, thousands of children, certainly a significant portion of them low income, but also other children served in those programs who qualify for paid meals certainly benefit because the nutrition standards of the program are there for every meal that they are served and consume.

So we are excited about bringing in significant portions of new children, certainly including low-income and at-risk children, but also to provide the umbrella of nutrition standards for children who maybe don't meet that specific—those specific guidelines.

One of the proposals in my testimony is to increase the age limit in the Child and Adult Food Care Program from 12 years of age to 18 years of age. There seems to be significant boys and girl club programs, recreation programs, after-school programs that are serving this age population that are not able to provide meal services to those children simply because of the age requirement in this particular program.

We would also see particularly if we extend the Homeless Demonstration Project that that age gap would be significant.

What I am also, just to mention, list A had mentioned the family resource centers. In Kentucky in 1990 we passed extensive education reform, and one piece of that was to set up at every school, or near the school, a family resource center if the school had at least 20 percent of the children eligible for free or reduced price lunches.

We have most schools online. Those family resource centers are certainly social service centers. They are centers for referrals of multi-types of organizations. We use them in terms of developing family child care, after school care, and all parents within the school and within the neighborhood are eligible to use those, and I think what we are seeing in the States is more and more a move that no one program can provide all services to all people, and we have got to coordinate and work together, particularly at the local level, to make those things function.

Child care has to work with school breakfast, school lunch, net, summer feeding programs, all of those, and we need to assure that we are providing a safety net of services for all of these kids by coordinating what it is we do.

Ms. WOOLSEY. Thank you.

Thank you, Mr. Chairman.

Mr. GREEN. Thank you.

Mr. Chairman.

Chairman KILDEE. Thank you, Mr. Chairman. I apologize. Two different floors today. I am trying to work for justice and human dignity and I really got into a struggle upstairs. I didn't think it would take that long to defend human dignity and I really appreciate Mr. Green taking the Chair and presiding in such a very professional and sensitive manner.

One question. I get together rather regularly, socially and professionally, with my school food service directors in my district. They

are very nice people. I think we attract nice people to that type of work, and I have seen that a school might be administering four different child nutrition programs, plus they might be operating a central kitchen serving the elderly in daycare settings, and all of these programs have their own separate and unique requirements and eligibility criteria which makes administering these programs very complex.

I have really been mulling over my mind the idea of developing kind of a seamless child nutrition delivery system where the school can provide all of these meals without having to constantly shift from one program to another and look at the regulations one to another.

Do you think this is something that we should pursue to try to streamline this and make it a little easier for those food service directors back in the local school districts? Anyone want to have any comment on that?

Ms. HAMLER-PODOLSKI. I would certainly applaud your efforts at anything that would streamline the current programs, the current child nutrition programs that exist.

A report I believe in 1989 that said that 44 percent of the paperwork that were processed in schools across America related to child nutrition programs. I would say that is quite labor intensive when we have school food service directors and personnel who are attempting to feed our children, not push paperwork.

The other thing that I would recommend is possibly a piloting automated payment system to school districts as well, possibly automated reporting systems and payment systems that can be done. Not only is the paperwork labor intensive, it is generally done in 90 percent of the cases in a manual environment.

Chairman KILDEE. Yes.

Ms. LOCKE. I would like to just provide a personal comment as it relates to that. Certainly we see in Kentucky a specific problem with this. With our education reform, we have mandated services for 3- and 4-year-olds within our public school system.

Those children are receiving either a school breakfast or a school lunch under that. However, school breakfast and school lunch does not provide snacks, and so the children, all of them eligible for free lunch who are participating in this particular school-based preschool program must bring in cookies, graham crackers, et cetera, from home for snacks because there is no funds in the nutrition program to pay for the snacks, and the school and the payment system of the program did not provide that.

So it has been a real frustration in that area not to have the snack. There are some other things and I will just throw this one out, I think it was covered back in the 1970s. Residential child caring facilities, institutions that provide residential care for children participate in the school lunch program and provide breakfast and lunch.

Well, those children are also there for supper. They are also there at snack time but that is not part of the reimbursement system. So I think that many times when we wrote these bills and certainly the father of school lunch, Mr. Perkins, many years ago, probably didn't look at so many of these things when school lunch was developed at that time, but we are changing and the children

that we are serving and how we are serving them are certainly different, and so I certainly applaud those efforts and certainly the Child and Adult Care Food Care Program portion would hope to be an integral part of any coordination or any seamless part of services.

Chairman KILDEE. Speaking of Mr. Perkins, with whom I had the privilege of serving for many years when he was chairman of this committee, you know, it is interesting to note that when the school lunch program began, it really began because of two reasons.

One of the greatest reasons was that it was discovered during World War II, that many people could not pass their physicals. It was determined that for many of those who could not pass the physicals, it was because of poor nutrition, particularly in their growing years. To a good extent this program came into being as a matter of national defense to make sure we had able-bodied people to defend this country. I have always been tempted to transfer the funding of this program over to the Defense Department because they get so much money.

They are really built in lobbyists. Cap Weinberger got all the money he wanted and particularly during Cap Weinberger's day, I just felt we should transfer that over there and that kind of money falls off the trucks as they leave the Pentagon here.

I remember I sold a Christmas tree to Cap Weinberger one time, my two sons were Boy Scouts and we were selling Christmas trees and here comes Cap Weinberger up to buy a Christmas tree and he bought one for $50, and I was going to charge him $500, he had been so used to paying the high dollar, but I resisted that.

I don't really want to transfer to the Defense Department, but it might assure better funding over there. Thank you, Mr. Chairman.

Mr. ROBINSON. Mr. Kildee, I might make one comment here in regard to your rationalizing all the multiple programs.

We are currently putting together a policy background analysis on all 14 of the Department of USDA administered food assistance programs that will hopefully provide some good information to help you in that process.

Chairman KILDEE. We appreciate that, be very helpful. Get it to us—I think next year is when we reauthorize this, that will be very timely for us. I appreciate that, Mr. Robinson.

Ms. FORD. I would like to see the sharing of the eligibility criterion between the school districts and the municipal, county and State government entities that elect to sponsor programs in the summertime.

We have had the problem of, we know we are serving the same children in the summer lunch program, but a summer food service sponsor many times has to go from door to door to put out the very same application that the school district has already collected from the child.

There is currently a control sheet of those children and their eligibility in the school district's premises, and I think the USDA needs to allow that information to be shared by any organization that chooses to do something worthy for the same children who have already been declared eligible.

So if we could look at that and clear that up in the regulations, I think that would be a great help for the expansion of the summer lunch program.

Ms. HAMLER-PODOLSKI. Chairman Kildee, this is a matter of national security. Children cannot wait while we as adults debate.

As Ms. Ford said, direct certification and the exchange of information about current eligibility would streamline these programs tremendously. Currently we have children who are residing in families that are receiving ADC and food stamps under the child nutrition and WIC amendments of 1989.

States were given the ability to directly certify those children for school-based nutrition programs, but yet many schools have chosen not to execute direct certification because of problems with confidentiality.

The bottom line is, they are frightened that if this information is removed from the district and may fall into the wrong hands, that the district may encounter a lawsuit.

We have found in many districts in our State that have moved forward to implement direct certification that districts who once thought there were very low percentages of free and reduced priced children, a school district in Lebanon, Ohio said they weren't really interested in direct certification, more interested or interested in the breakfast program, but it did convince them, go with direct certification.

The information came down from the State Department of Human Services. He was surprised at what he found. Districtwide he believed, based on his last year's enrollment, that 10 percent of the students enrolled in the district were eligible for free and reduced priced meals. When he got his numbers supplied in the next year, he discovered that number was 18 percent.

One of the reasons that it is so difficult to get children involved in school-based nutrition programs is because of the stigma that is attached. We may have younger siblings participating in the school-based nutrition programs at the elementary level but the falloff is significant as you move to the middle school and high school levels.

Thank you.

Mr. GREEN. Thank you.

I would like to thank the witnesses and I couldn't help but—Ms. Ford, and I understand your concern about making sure the rules are followed and the concern about the—so we don't lose those programs, but I would also hope that site monitor would—if that child from Ms. Podolski's examples, if that child said I need to take this home, that someone would follow that child home and I would hope—in fact I am going to work on my school districts to make sure that is done because I come from a district that every school has some type of reduced or free lunch and breakfast program, but you have obviously provided a great deal of thought in how we can improve the programs and ensure our students are well nourished and we want to stay in touch with you as the child reauthorization process continues.

I want to thank you for not only myself but the real Chairman of the committee, Chairman Kildee, for your commitment to feeding our children. And the hearing record will remain open for 2 additional weeks for further submissions and the committee stands adjourned.

Thank you.

[Whereupon, at 11:50 a.m., the subcommittee was adjourned.]

ISBN 0-16-041769-4